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## Polish church criticizes riot police

The Polish bishops have criticized the Polish Government's handling of violent demonstrations on Monday. They also said they expected substantial concessions from the state authorities on the revival of Solidarity, and the ending of martial law. They made it clear that the police handling of the demonstrations overshadowed the authorities' recent concessions. **Back page**

## Axe man pelts siege police

A man armed with axe who barricaded himself in a loft in a house in St Ann's, Nottingham, was pelting police last night. He pelted them with tiles thrown through a hole in the roof.

## ETA murder A-plant chief

Opening war on Basques cooperating with Madrid, ETA gunmen murdered the chief engineer of a Bilbao nuclear plant on the day it was being signed over to regional authorities. The Cabinet went into emergency session. **Page 8**

## Markets trade nervously

Financial markets reacted nervously yesterday to the news of British losses in the South Atlantic. The pound fell sharply against Continental currencies, but finished stronger against the dollar. The stock market made a recovery after early losses. **Page 17**

## New rules on police taping

New rules covering tape recordings of police interviews and wider powers to stop and search will be included in a Police Bill being prepared by the Government for introduction in the autumn. **Page 5**

## Israeli bullets kill more

Israel's chief of staff defends the use by his troops of live ammunition against demonstrators in the occupied territories. Critics wonder why bullets fired at legs are killing so many. **Page 8**

## Sporting rights

Local hunt supporters believe that South Glamorgan County Council could not enforce any ban on foxhounds as all rural land owned by the council is rented to farmers to whom sporting rights are assigned. **Page 6**

## Opera stopped

The Royal Opera House, Covent Garden, has cancelled tomorrow's performance of Tchaikovsky's *Eugene Onegin* because of a wage dispute with members of the chorus. Refunds will be made to ticket holders.

## Polling today

Voters go to the polls in 183 local authorities in England and Scotland today. Party issues are likely to be overshadowed by the Falklands crisis. **Page 6**

## Namibia blow

Africa's front-line states reject as sterile the West's Namibia proposals and demand a Geneva-type conference under the UN. **Page 8**

## Refugee rumpus

Factional fighting between Vietnamese refugees in their Hongkong camp has forced 1,000 from the south to quit and squat in empty barracks. **Page 8**

## Boycott century

Geoffrey Boycott scored 138 for Yorkshire against Northamptonshire on the opening day of the county cricket championship. It was the 126th first-class century of his career. **Page 23**

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# Pym keeps the door open on US-Peru ceasefire proposals

● The latest American-Peruvian proposals to end the Falklands crisis, containing suggestions for an early ceasefire and the prompt withdrawal of Argentine troops, were the most helpful basis for finding a settlement, Mr Francis Pym told the Commons yesterday. The Foreign Secretary said he continued to be in close touch with Mr Alexander Haig in Washington. ● The return to a mood of diplomacy

By Philip Webster, Political Correspondent

Mr Francis Pym, the Foreign Secretary, disclosed to the Commons yesterday that an early ceasefire, with a prompt Argentine withdrawal, was one of the vital ingredients of the revived American-Peruvian proposals for settling the Falklands crisis. Saying that he believed these proposals provided the most helpful basis for achieving a settlement, Mr Pym, who has sent a "constructive contribution" to Mr Haig, United States Secretary of State, late on Tuesday night, said he would be in touch with him again late last night. He left many MPs with the impression that he regards Mr Haig as being very much back in the negotiating business, and his emphasis that an early ceasefire was at the heart of the latest initiative was not lost on them.

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Argentine government to respond, as was the case with the earlier Haig proposals. "The Foreign Secretary confirmed that he would be responding to Senator Peres de Cuellar. It was explained in government quarters later that the response would probably be sent today.

The Government's cautious hopes of the Peruvian plan rest on that country's close relationship with Argentina. Mr Pym said that Mr Haig was in touch with Peru, which was a friend of Argentina and that might be a way of negotiating.

Throughout the exchanges, Mr Pym stressed his desire to reach a peaceful settlement and appeared to give no encouragement to those Conservative arguing for stepping up military action.

He told Mr Michael Wubert, Conservative MP for Havering, Romford, who had suggested that most effective negotiating weapon was likely to be a military one, that he would infinitely prefer that the troops left the

islands under peaceful means than be driven out by force.

When Mr Jonathan Aitken, Tory MP for Thanet, East, told him to be cautious about negotiating terms for a ceasefire until the Argentines had shown by their deeds they were withdrawing their troops, Mr Pym replied: "Yes, I am showing appropriate caution, but I will also show appropriate enthusiasm."

And MPs detected no enthusiasm from Mr Pym to a suggestion from the Tory benches that airfields on the Argentine mainland should be bombed. He said: "Naturally military considerations and aspects are being thought about in greater depth, and possible plans are being prepared. That is right because we have a task force in the South Atlantic." And he added: "Let us at the moment concentrate our minds on trying to achieve a peaceful settlement."

Mr Pym also slightly lifted the veil over the Government's long-term intentions towards the Falklands.

Asked by Dr David Owen, parliamentary leader of the Social Democratic Party, positively to welcome the concept of a United Nations trusteeship council, Mr Pym replied: "The Government has an open mind about what might be the ultimate solution. Most certainly the United Nations trusteeship concept is one of those possibilities. It might in the end prove to be highly suitable."

Although it was stressed later that Mr Pym was referring to the idea as no more than an option at present some MPs, notably Dr Owen, regarded his reply as significant.

## Fresh proposals sent to Haig after full Cabinet meeting

By Julian Haviland, Political Editor

After a two-hour meeting of the inner Cabinet yesterday, followed by an emergency meeting of the full Cabinet, further British proposals were sent by Mr Francis Pym to Mr Alexander Haig, the American Secretary of State.

As before, ministers and officials would yesterday give no details of the original Argentine proposals, which nor of Mr Haig's refinements to those proposals, which he and Mr Pym discussed in Washington last Saturday; nor of the British contribution passed to Mr Haig on Tuesday and the further ideas conveyed yesterday.

Government sources would not say how well the channel which appeared to have been opened between London and Buenos Aires via Lima and Washington was working.

But it was stated emphatically after the Cabinet meeting that the blockade of the Falklands was being maintained and would not be lifted until there was a commitment by Argentina to withdraw her forces.

The full Cabinet was convened after the inner group, with the Prime Minister in the chair, agreed that all their colleagues should be allowed the chance of a full reappraisal of the Government's military and diplomatic stance. In the event, the Cabinet spent most of their one hour and fifty minute session considering how their efforts to find a diplomatic solution could best be advanced.

They agreed that worldwide support for Britain as the victim of aggression had been weakened by the fighting in the South Atlantic and

was likely to diminish further, and that that made the quest for a diplomatic success (as Mr Pym later told the Commons) all the more urgent.

Ministers also agreed that Mr Pym should speak positively to the Commons about the Government's willingness to work for a ceasefire, but that that should be dependent on a commitment by the Argentine to withdraw her forces.

The Labour Shadow Cabinet, meeting at the same time, came to a similar conclusion - that they should sustain the Government, but press ministers to agree to a ceasefire provided Argentina would commit herself to withdrawal. No member of the Shadow Cabinet, argued against that proviso.

The Opposition claimed last night to have detected a significant softening of the Government's position, which ministers, however, denied. In the Commons Mr Nott, Secretary of State for Defence, adopted a "provisional" statement by Mr Denis Healey, Labour deputy leader, who had said that Britain should not agree to a ceasefire without being clear that "we had a right to a peaceful withdrawal of the Argentine forces from the islands."

Mr Healey responded with gratification, telling Mr Pym later that this was "an important distinction from the demand that a ceasefire cannot take place until Argentine forces have left."

## Junta delays announcement on Sheffield

From Christopher Thomas, Buenos Aires, May 5

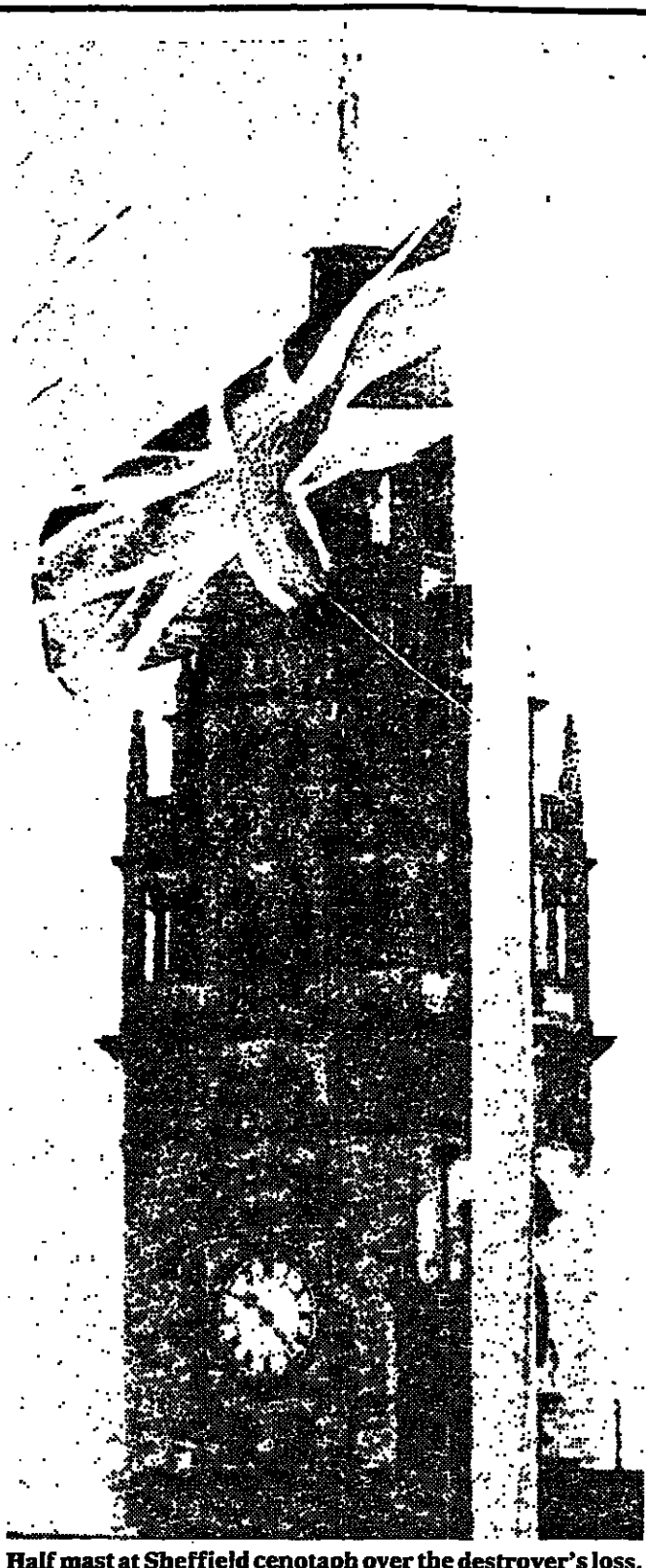
The military junta tonight had still not officially announced that the British ship, HMS Sheffield, had been sunk. Full details were published by Telam, the official news agency.

It appears that the pilot who fired the Exocet missile from a French-built Super Etendard aircraft turned back to base before his missile struck home. According to military spokesmen, he fired at an object that showed up as a small blip on radar, and it was not until the strike was announced in London that the Argentines were aware of what had happened.

man, said that two other Etendards were involved in the operation. They had been ordered to attack the British fleet, which was 60 miles south of the Falklands.

According to Clarin, the newspaper closest to the military, the missile was fired about 23 miles from the target. It said a Mirage also fired an unidentified missile at an object that showed up as a large blip on the radar screen, which could have been one of the carriers. According to the newspaper, Argentina has 12 Etendards, but reports reaching United States sources here say they have only five, which were delivered last year.

The war continues to inflict serious harm on the fragile economy, and the peso now stands at 14,000 to the dollar, compared with 10,000 before hostilities began. The Economy Ministry confirmed today that a new economic programme is expected to contain a series of new exchanges, financial and trade measures, possibly with a strict clampdown on imports of non-essential goods.



Half mast at Sheffield cenotaph over the destroyer's loss.

## US tries desperately to halt fighting

From Nicholas Ashford, Washington, May 5

The United States was today engaged in what diplomatic sources described as "frenetic activity" in an attempt to halt the fighting between Britain and Argentina over the Falkland Islands.

However, despite the numerous diplomatic initiatives which are now under way and renewed American pleas for a quick end to hostilities, there were growing fears in Washington that the undeclared war would become more intense in the wake of the sinking of the General Belgrano and the Sheffield.

Press speculation here that Mr Haig had proposed a 48-hour ceasefire was greeted with a firm "no comment" by State Department spokesmen. The British said they could not accept a ceasefire which left the Argentines in control of the islands.

But a State Department spokesman said that Washington would welcome "any forum or venue to bring the conflict to an end."

The renewed efforts to find a peaceful solution to the crisis began last night when Mr Alexander Haig, the Secretary of State, held a three-hour meeting with Sir Nicholas Henderson, the British Ambassador, to discuss an initial British response to a set of peace proposals put forward by President Belandine Terry of Peru last weekend.

The meeting, which was at Britain's request, caused Mr Haig to cancel abruptly a trip to New York, where he was due to give an after-dinner speech to the Irish Club. Mr Haig was at Andrews Air Force base outside Washington about to board an aircraft when he received telephone

## Sombre mood in Commons

# Nott hints at pause in action

By Hugh Noyes, Parliamentary Correspondent

Mr John Nott, Secretary of State for Defence, gave a strong indication in the Commons yesterday that British forces off the Falkland Islands were planning no attacking action against the Argentines over the next few days. He told MPs that if the Argentine forces in the next few days did not in any way challenge our ships and our men and threaten them, and if they ceased coming into the total exclusion zone, then no casualties need arise.

Mr Nott also denied American reports that a naval battle was now going on around the Falklands. He had no knowledge of any such battle, he said, and the government had no reports of one. Although he could not be sure because of periodic communications difficulties, he had checked recently on this point and was aware of the reports from American sources.

There had been accompanying vessels in the immediate area which picked up those who had abandoned the ship, he said. Describing the news as grave and tragic, the Secretary of State firmly told the House that the task force was continuing its operations as planned.

Mr Michael Foot, leader of the Labour Party, described the sinking of the destroyer as a tragedy. Mr Nott agreed with him that there would have to be a further statement today after more information had arrived from the task force. Communications with the operational area were difficult at present and the information must be treated as provisional until further reports were received.

As Mr Nott gave the Commons the first full details of the attack on HMS Sheffield, it was soon clear that the mood of MPs had changed remarkably from the near panic reaction of the

night before. In sharp contrast, MPs yesterday appeared to be more fully united than ever behind the government in its determination to resist aggression and to see through the operation to a successful conclusion. There were no calls for the withdrawal of the task force and the House appeared to be fully behind Mr Nott and Mr Francis Pym, the Foreign Secretary over the need for British forces to take any action needed to secure the safety of the men and ships around the Falklands.

After tributes and expressions of grief at the loss of life, the Secretary of State told the House that at about 3.30 London time on Tuesday afternoon, HMS Sheffield was attacked by Argentine Super Etendard aircraft which launched Exocet missiles. The ship was about 70 miles off the Falklands, enforcing the total exclusion zone with other members of the task force. Two missiles were fired, one missing the ship and the other hitting her amidships. The explosion that followed caused a major fire and, although attempts were made to extinguish it for nearly four hours with the assistance of other fire fighting teams in the area, it spread out of control.

At about 7pm London time the order was given to abandon ship. Ships of the task force picked up survivors and the latest information was that about 30 men were still missing. Others were injured and were being well cared for under medical supervision. The ships were still engaged on operations, but the force commander would provide further information as soon as possible.

Mr Nott added that it was thought that HMS Sheffield may have been detected by an Argentine reconnaissance

## Destroyer still burning 12 hours after attack

From John Witherow, on board HMS Invincible

Survivors from the Sheffield, hit by an Argentine missile have been taken to several other ships in Royal Navy task force as the decision is taken to sink or try to salvage the crippled destroyer.

No figures are available yet on the number of casualties although it was believed the ship had a complement of about 270 men. Some injured are being dealt with by a large medical team aboard the Hermes, the flagship.

The 10-year-old destroyer was still burning more than 12 hours after the attack. Earlier reports that it had sunk were described as premature.

The missile entered the ship on the starboard side 15 feet above the waterline. Photo graphs show a hole about 10 feet in diameter

with black, oily smoke pouring from the vessel. Most of the damage was inside the ship as the Exocet missile exploded just after impact.

The Sheffield was the last sea-going command of Rear Admiral John "Sandy" Woodward, the Commander of the task force, before he took the job as director of Naval Plans at the Ministry of Defence about four years ago. She had close connections with the city of Sheffield and was known as "the Shiny Sheep" because of stainless steel fittings in the ship, placed there by local manufacturers.

The attack was more sophisticated than has been seen to date, and also indicated the Argentines had good intelligence about the position of the fleet.

The news of the attack was greeted with shock on board the Invincible. "The reality of all this is beginning to sink in" one officer said. Survivors from the ship are expected to be placed on other ships or sent home as soon as possible.

## Queen 'deeply concerned'

Buckingham Palace said yesterday: "The Queen is following events in the South Atlantic very closely and is naturally deeply concerned and saddened by the tragic news of the loss of HMS Sheffield and the pilot of the Harrier jet."

The Queen's involvement is not only as head of state and Commander-in-Chief of the British forces: Prince Andrew is a helicopter pilot with the task force.

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From Zoriana Pysariwsky, New York, May 5

that is one of the more critical hours of the hemisphere's history the United States has chosen to side with a power foreign to this hemisphere and helping its aggressive schemes", Señor Roca said.

"It is very clear that the United Kingdom did not want to open fire without having the approval, the backing and the direct complicity of the United States Government."

The normally pro-government newspaper, *Ultima Hora*, said the Government had acted as a messenger of the State Department, and had been snubbed by Argentina. The independent daily, *El Observador*, ran a cartoon showing President Belaunde, with the United States peace proposals in his hand, slipping on a banana skin. — *Reuter*.

Heston), Mr. Alfred Dikam (Wandsworth), Balthera, South), Mr. Maurice Miller (East Kilbride), Mr. James Macdonald (Glasgow), Mr. John Stike Newington, Mr. James Lamond (Oldham, East), Mr. Stanley Thorne (Glasgow), Mr. Jell Carmichael (Glasgow, Kelvingrove), Mr. John Robertson (Berwick) and East Lothian);

Mr David Winnick (Walsall, North), Mr Stuart Holland (Lambeth, Vauxhall, South), Mr. George Brown (Leith), Mr David Marshall (Glasgow, Shireston), Mr Dennis Canavan (Stirling), West), Mr Ian Wardrope (Glasgow, South), Mr John Bowe (South), Mr Harry Cowan (Newcastle upon Tyne, Central), Mr Sheila Wright (Bristol, North), Mrs. Mary Turner (Pavilly, Bristol), Mrs.

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**"Now... to the Death!"** says the patriotic poster in a Buenos Aires street.

From Christopher Thomas, Buenos Aires, May 5

**"English destroyer Sheffield sunk at the Malvinas" *La Prensa* said in an almost identical account.**

**By David Cross**

with him have grown to like him although they sometimes find his patrician manner a little difficult. Like public relations officers in the Foreign Office, Mr. McDonald

**By George Clark**

Mr David Winnick (Walsall, North).  
Mr Stuart Holland (Lambeth, Vaux-  
hall). Mr Ronald Brown (Ninth, Leith).  
Mr David Marshall (Glasgow, Shettleston).  
Mr Dennis Canavan (Sittingbourne, West). Mr Ian Mikardo  
(Tower Hamlets, Bethnal Green and  
St. Pancras, Central). Mr Charles  
Wright (Birmingham, Handsworth).  
Mr Laurence Pavitt (Brent, South).  
Mr Christopher Lewis (Lewisham,  
West). Mr A. Williams (Derby,  
West). Mr Raymond Ellis (Derby-  
shire, North-East). Mr Leslie Huch-  
field (Nuneaton). Mr Dennis Skinner  
(Bolsover). Miss Jo Richardson

By David Feltner

Lieutenant Nicholas Taylor, aged 32, from Dorset, was the first British serviceman killed in action with the task force. He was shot down as he piloted his Sea Harrier in an attack on the Gogge Green airstrip in the Falklands. Lieutenant Taylor, who lived in Dorset, leaves a wife, Clare, who is a Second Officer in the Wrens. His father, Mr Harry Taylor, said: "I am proud to have had a son who died doing the job he loved for the country he loved."

From Ian Murray, Brussels, May 5

Mr Nott could not attend the meeting because he had to appear in the House of Commons, but he flew to Brussels in the early evening.

In an interview with *Le Monde*, Señor Rodríguez, who is visiting Paris, said that Cuban-American relations could hardly return to normality before a negotiated solution of conflicts in Central America had been achieved.

From Ian Murray, Brussels, May 5

A text showing the attitudes of the European members of the alliance to the crisis in the South Atlantic.

Mr. Nott could not attend the meeting because he had to appear in the House of Commons, but, he flew to Brussels in the early evening.



FALKLANDS CRISIS/2

The loss of HMS Sheffield

Direct hit raises questions on Navy's defence

By Henry Stanhope, Defence Correspondent

The comprehensive destruction of the destroyer Sheffield by a single missile is raising a number of embarrassing questions for Britain and for Nato about the shape of the fleet, the design of its ships and the weapons they carry.

In one sense Tuesday's disaster vindicates the complaint of Mr John Nott, Secretary of State for Defence, last year that too much is spent on weapon platforms for the armed forces and not enough on the weapons themselves.

This is not the first time that the 14 Type 42 destroyers in the Royal Navy have been surrounded by controversy. The 4,000-ton ships, which cost about £85m two years ago and more than £200m a year to operate, have long been criticized for being under-armed.

They were designed primarily to accommodate the Sea Dart area air defence missile and thus help to provide protection from enemy aircraft for task forces like the one now in the South Atlantic.

Sea Dart can also be used against other ships, which is just as well because the only other weapons on the Type 42 comprise a 4.5in gun, two 20mm cannon and a Lynx helicopter.

An article in the authoritative journal *Navy International* at the time of the Sheffield's acceptance by the fleet in the mid-1970s compared her mix of weapons unfavourably with that of the Soviet Krivak class ships whose size is comparable. It commented with what now turns out to have been sad

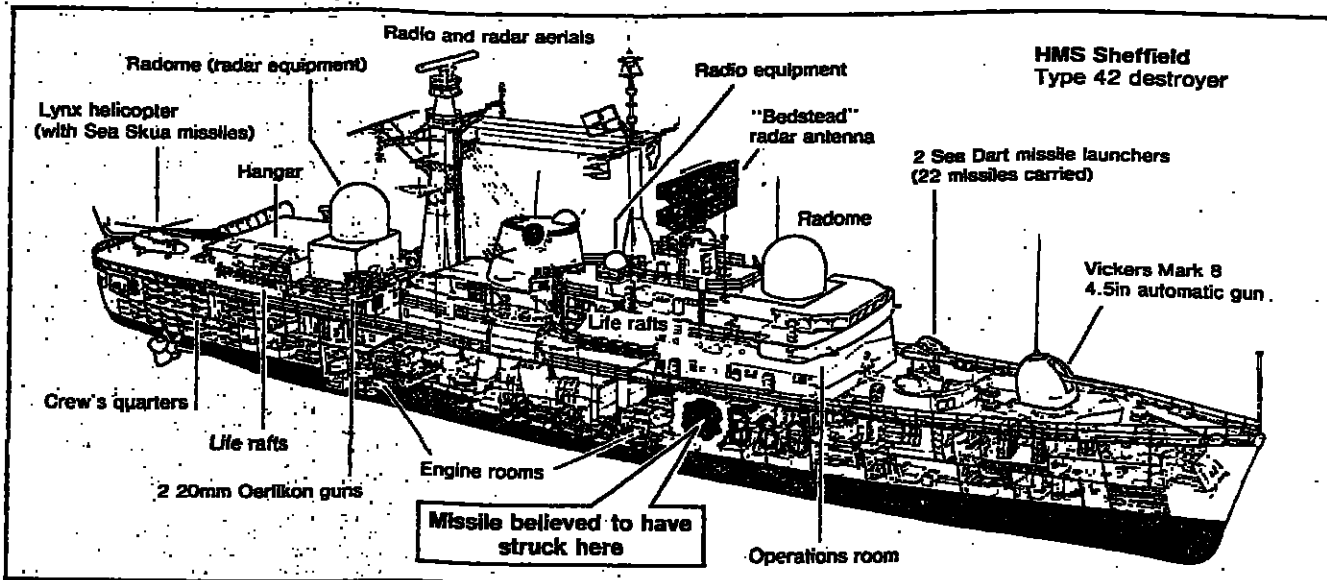
prescience: "...it would be scarcely wise to allow her out in dangerous waters alone". But in this case it would seem that she was not alone. Moreover the Sheffield was struck by a missile fired not from another ship but from one of the very aircraft against which the Sea Dart system was supposed to protect the task force.

The Super Etendard which launched the Exocet was probably operating out of one of Argentina's southern bases such as Rio Gallegos or Tierra del Fuego.

Its radius of action like that of all combat aircraft, depends upon its payload, speed and altitude, but with an Exocet under the attack wing and a 1,100-litre external fuel tank slung to the port wing it could probably manage 450 miles.

This should have been enough if the pilot had had another surveillance aircraft pinpointing his target for him first and guiding him straight to it. Argentina has two Hercules tankers for in-flight refuelling, which would remain well behind the combat zone because of their vulnerability. But it is questionable whether the five Super Etendards in service with the Argentines are fitted for mid-air refuelling.

If the Sheffield was operating as a picket, standing off from the main task force comprising the Hermes and the Invincible, it would have presented the pilot with a clear target. He would have had to climb to identify it at long range, then would sink once more below the horizon - disappearing from the



radar screens on the Sheffield almost as quickly as he came.

He would have fed the target information into the Exocet's computer before firing the missile and watching it begin its sea-skimming journey of 20 miles or more at a speed slightly below that of sound. In the last stage of its flight the Exocet's own homing radar would have taken over and guided it to the bustling heart of the destroyer.

Sea Dart has a good performance against aircraft at high and medium altitude, and a range far greater than the 25 miles published. But the aircraft would have been at altitude only briefly and the missile not at all.

The most important lesson for the Navy is the necessity of finding a place on all its ships for Sea Dart. The Exocet's computer before firing the missile caused a fire which was beyond the control of the destroyer's own fire-fighting teams and those from other ships.

An inquiry is understood to have already started among the task force following the loss of the Sheffield. Two other Type 42 destroyers are on hand and the Sea Dart system is also installed on the carrier Invincible. But a decision will have to be made on whether a replacement for the stricken Sheffield is needed.

against strong competition from a Dutch company, is about to become available.

Plans to fit lightweight SeaWolf to a wider variety of vessels were thrown in jeopardy by the naval cuts last year. But this disaster off the Falkland Islands has at least demonstrated the need for most, if not all, major warships to have anti-missile systems in addition to decoy and jamming counter-measures.

Yet another field for investigation during the coming months, however, is what happened after the Exocet struck. The Sheffield is fitted with all the latest anti-fire devices including sprinkler systems, fireproof doors and hatches and foam extinguishers. Her hull is made of steel not aluminium as reported elsewhere.

Yet the crew were forced to abandon ship because the high explosive missile caused a fire which was beyond the control of the destroyer's own fire-fighting teams and those from other ships.

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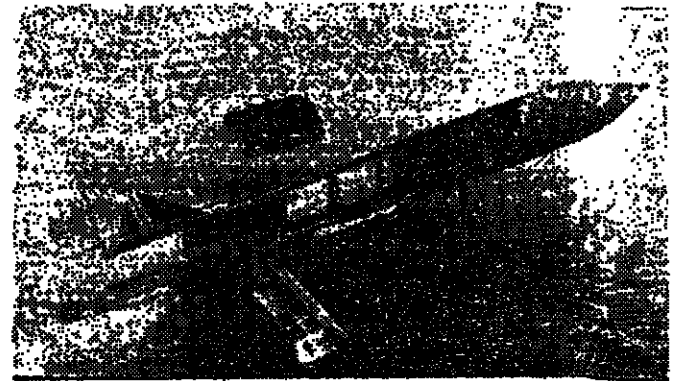
Reinforcing the fleet

The loss of HMS Sheffield, whose main features are illustrated above, has spurred Tyne-side into "superhuman efforts" to speed up delivery of the Royal Navy's latest ship.

This will be the £200m anti-submarine aircraft carrier, HMS Illustrious (below, berthed at the Swan Hunter dock), sister ship to HMS Invincible, now the spearhead of the task force in the South Atlantic. The 18,000-ton carrier

was not due to be handed over until September. Now every effort is being made to bring the date forward to June.

At the same time, preparations are almost complete for the launching ceremony on Saturday of HMS Beaver, a Type 22 frigate being built at Yarrow's Shipyard on the Clyde. The ship will be equipped with Exocet guided missiles, similar to the weapon that hit HMS Sheffield on Tuesday.



Deadly weapon: The French-made Exocet missile.

Smoke from sea to clouds

From John Witherow on board HMS Invincible in the South Atlantic

In a report carried in the final edition of yesterday's *Times*, John Witherow, in a pooled dispatch, told of the destruction of the Sheffield:

The fleet was attacked by two Super Etendard jets carrying Exocet missiles. One missile went past the Sheffield but the second scored a direct hit on her. A massive pall of smoke appeared on the horizon as Sea King helicopters ferried casualties back to the flagship carrier HMS Hermes. The Sheffield, about 15 miles away, was completely blotted out by the smoke which formed a solid column from the sea to the clouds.

As fires raged in the Sheffield a call was put out for hoses and pumping equipment to be dropped by helicopter. A frigate went alongside to help tackle the fires but three hours later it was decided to give the order to abandon ship because of the danger of a possible explosion of the Sheffield's own Sea Dart missiles.

Two hours after the attack the Invincible's crew were told: "Sheffield is floating level and high in the water. There are fires still burning on board."

It was 14.15 GMT when the alarm sounded on the Invincible and the 1,000-man crew were told: "Air raid imminent from the South West."

Two aircraft at 60 miles and closing. Shortly afterwards came the report "Sheffield may have been hit." Five minutes later the intercom crackled: "Sheffield is some 15 to 20 miles to the South West. She has been hit by an air-launched Exocet missile. They are currently fighting the fire."

Fifteen minutes later, as frigates around Invincible put up an anti-missile screen, an officer told the crew: "We may be about to come under missile attack."

The crew all hit the deck and spread themselves on the floor as a means of minimizing personal injury. The carrier shook with vibration

As the news about the Sheffield came through, 22-year-old Tom Cunningham, from Liverpool, a Naffi counter assistant who signed on for active naval service only two days ago for the duration of hostilities, said: "My future brother-in-law is on the Sheffield. I was at his house only a few days before we left the United Kingdom. I can't believe this has happened. Sheffield was at Gibraltar when we sailed from Portsmouth."

Captain James "Sam" Salt, commander of HMS Sheffield, who comes from Petersfield, Hampshire.

as its engines were turned up to full speed as it moved this way and that through the water.

There were loud whooshes and explosions as Invincible's anti-missile screens were deployed. The sounds caused everyone to jump as they were just like the noise of an incoming rocket. One minute later the ship's crew were told: "The picture is somewhat confused. But there are almost certainly now no missiles in flight."

At that point a frigate launched a torpedo attack against a suspected enemy submarine beneath the task force. She reported loud underwater explosions and helicopters were called in to carry out sonar sweeps for submarines. From the Invincible could be seen a sea full of warships all manoeuvring at top speed in defensive formations.

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Portsmouth found itself faced with the recurrent fear of a naval city yesterday, the reminder that the darker side of glory is grief. The loss of the destroyer Sheffield was met with incomprehension, sadness and an impatient anger by both civilians and naval personnel. The destroyer was based at Portsmouth and had last visited it in November before sailing for the Indian Ocean.

Two British warships have been on permanent patrol off the Gulf of Oman since the start of the Iran-Iraq war. When the Falklands hostilities broke out, the Sheffield was on its way home to Britain and preparations were well advanced for a party for the crews' families on board at Portsmouth.

On Tuesday night the same families were in constant touch with the special switchboards of the Naval Families Service in Portsmouth which were set up to deal with inquiries from relatives after the news broke of the ship's loss.

A team of naval chaplains, officers and social workers who had been on 24 hour call for such emergencies for the last four weeks set off to meet the families of the dead seamen early yesterday. Flags were at half mast throughout the city. Mr John Marshall, the leader of the City Council's ruling Con-

Portsmouth mourns victims

From David Hewson, Portsmouth

servative group, said that the mood was "sad but unshaken". "It is unfortunately part of our history and part of our destiny to face this tragic happening. We can only show solidarity and support for the ships and men still there," he said.

A number of people had contacted the council about the incident. "They have been a bit grim-faced and tight-lipped but they don't want to feel that these lives have been lost in vain." Far from fearing further engagements, the people of Portsmouth may want them more than the rest of the country, Mr Marshall said.

"I rather question whether people round here are very sympathetic about the United Nations. The media seemed extraordinarily concerned about the Belgrano, almost as if the BBC was trying to be impartial. That isn't the way we look at it," Mr Marshall said.

"There was a remarkable expression of patriotism when the two aircraft carriers left here. Tens of thousands of people saluted them. I think there is now a kind of gut reaction which says that it is time we should stop being pushed around." Mr Marshall said that he was in Portsmouth during the last War when the Hood,

the Prince of Wales and the Repulse were lost.

"I suppose during the war you accepted it and Portsmouth itself had suffered terribly. I think this has been something of a shock after so long," he said.

A memorial service will be held for the dead of the Sheffield though probably not until after the Falklands crisis is settled. Sheffield: As flags were flying at half-mast throughout the city, the City Council passed a formal resolution yesterday urging the Prime Minister to take every possible step to end the conflict in the South Atlantic and begin talks at the United Nations to bring about a ceasefire. Councillors also resolved to do all in their power to help the bereave and injured resulting from the missile attack on the destroyer Sheffield.

"There isn't anyone in Sheffield who is not absolutely stunned by the loss," Mrs Enid Hattersley, the Lord Mayor said. "We had a very close relationship with the ship and her crew."

A message of sympathy is expected to go from the city to the Royal Navy; plans for a commemorative service may be made later. Mrs Hattersley recently invited all the crew and officers of the Sheffield for a civic reception at the town hall.

Admiral may be under threat

From Nicholas Ashford, Washington, May 5

Admiral Jorge Isaac Anaya, the commander of the Argentine Navy and member of the three-man ruling junta in Buenos Aires, may be "the first head to roll" as a result of the Falklands crisis, according to the Washington-based Council on Hemispheric Affairs.

The council, which is sponsored by American trade unions and professional and academic groups and is one of a number of specialist organizations frstlin with Latin American affairs made its assessment before the successful Argentine attack on the Sheffield.

It said Admiral Anaya was responsible for the dispatch of a group of scrap metal workers to South Georgia in March 20. Their subsequent expulsion by the British provided the pretext for Argentina's invasion of the Falklands two weeks later.

The provocation, according to the council, was intended by Admiral Anaya unilaterally ordered several Argentine warships, including its only aircraft carrier, the twenty-fifth of May, to set sail on April 15 from Puerto Belgrano, without any prior consultation with other members of the armed forces joint chiefs of staff. Since then, the Argentine Navy has suffered severe losses.

The Argentine Army and Air Force have reluctantly been dragged by Admiral Anaya's actions into a conflict about which they have serious misgivings. General Basilio Lami Dozo, the chief of the Air Force, is said to be hesitant to commit his force to battle for fear of losing its aircraft.

They would be of crucial importance if Argentina went to war with Chile over the Beagle Channel dispute. The Air Force has spent tens of millions of dollars on new aircraft since the two countries nearly went to war in 1979. Admiral Anaya was the main instigator of the flare-up in the Beagle Channel dispute.

"The Argentine high command is in obvious and serious disarray because of Anaya's privateering", the council said. "His maverick actions will be used by the high command to avoid taking direct responsibility for what is quickly developing into a major military and political disaster for Argentina."

The council says that divisiveness is now so pronounced within the armed forces that Argentina has no hope of staging an effective counter-offensive to British tactics.

Ottawa is accused of hypocrisy

From John Best, Ottawa, May 5

The Canadian government has been accused of hypocrisy in continuing to ship nuclear fuel bundles to Argentina in the Falklands Islands crisis. The accusation was one of several made to Mr Mark MacGurgan, the External Affairs Minister, at a lively meeting last night of the House of Commons standing committee on foreign affairs, which was dominated by the Falklands question.

Mr MacGurgan told Mr John Crosbie, the foreign affairs spokesman of the official Conservative opposition, that Canada has given strong moral support to Britain besides handing military exports to Argentina and allowing Britain the use of communications facilities on Canada's east coast. Britain's use of force in the hostilities had been proper and reasonable so far as he could determine.

Nevertheless he was "concerned" about the increasing loss of life in the Falklands conflict and had ordered Canadian diplomats at the United Nations to increase their efforts in support of a negotiated solution.

Mr MacGurgan rejected Mr Crosbie's demand that Canada halt the shipment of nuclear fuel. "If Canada broke its contracts the Buenos Aires Government might feel free to use a nuclear power station being built by Canadian engineers in Argentina 'in ways we would not approve', an apparent reference to the possibility of making nuclear bombs from the station's spent fuel."

Mr Robert Wenman, another prominent Conservative MP, attacked the Government from a different direction. While agreeing that Britain's position was morally and legally correct, he observed critically that several hundred people had now died protecting the rights of 1,800 Falklanders. Canada was a friend of Britain but Mr Wenman asked: "Don't you have an obligation to draw them back from the fight?" Mr MacGurgan insisted that Canada had taken "a responsible and honourable position".

Government pays first P & O bill

The Government has started to pay some of the bills from P & O for its requisitioned vessels - the liners Canberra and Uganda, and the cargo ships Norland and Elk. The direct bill for the use of the vessels, and their operating costs, is believed to be around £290,000 a day. Mr Richard Adams, P & O's managing director, said the company had been paid for the first month.

He said the company had submitted an application for compensation, but there has been no response from the Government. P & O want to know whether the Government will pay for loss of business on its cruise liners when they are returned to civilian use.

Jamming is stepped up

The Argentine authorities yesterday stepped up their jamming of BBC programmes in Spanish to Latin America with the introduction of a fresh type of interference (Kenneth Gossling writes). Jamming of three of the six BBC frequencies began on Monday with the sound of a fast and continuous telephone dialling tone. Yesterday this was augmented by a succession of Morse code type dots, but reports from Argentina suggest that the broadcasts can still be heard and understood.

Dakar stopover

Senegal has confirmed that British warships using Dakar as a stopover on the way to Ascension Island in the South Atlantic. Mr Djibo Ka the Information Minister said that the use of Dakar was "certainly" within the terms of agreements that existed between Britain and the Senegal.

Seamen say no

Seamen at Felixstowe, Suffolk, decided yesterday to heed their union's advice not to sail their vessels Nordic Ferry and Baltic Ferry to the Falklands Islands. Both vessels have been requisitioned by the Ministry of Defence.

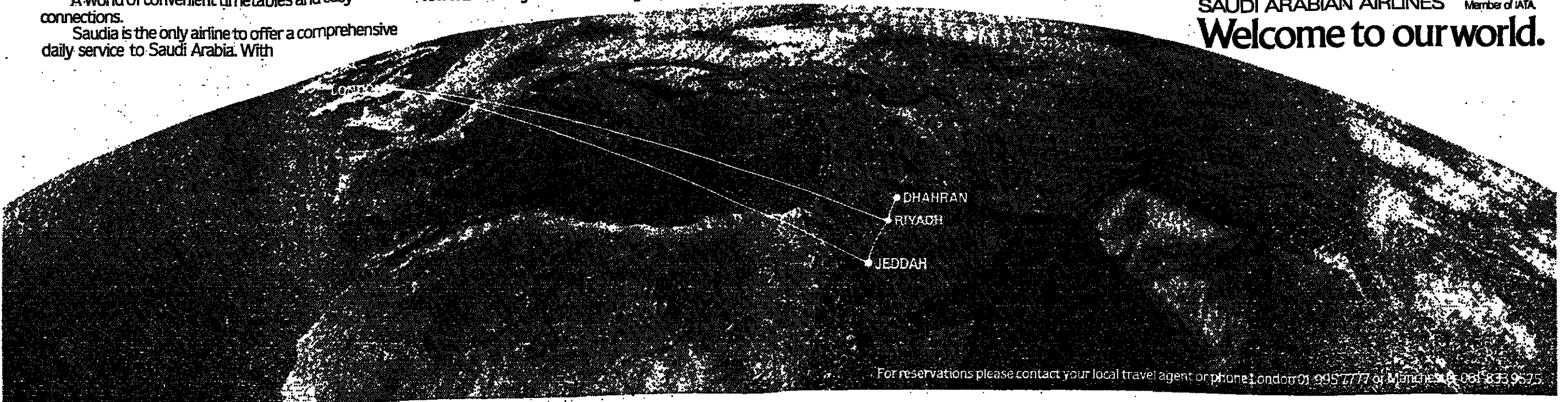
Welcome to our world.

A world of wide-bodied TriStar and 747 comfort. A whole new world of unsurpassed in-flight service. A world of convenient timetables and easy connections. Saudia is the only airline to offer a comprehensive daily service to Saudi Arabia. With

direct flights to Riyadh, Jeddah and Dhahran. And Saudia's exclusive network of 22 destinations in Saudi Arabia means that we can get you to within a few miles of any town in the Kingdom.

All this because we believe that we should always strive for better ways to serve. Which is why we are one of the biggest airlines in the world. Saudia. Welcome to our world.

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# Haig proposals still best way forward

## FALKLANDS

An early ceasefire is a vital ingredient of the diplomatic ideas for solving the Falklands crisis on which the British Government and Mr Alexander Haig, the American Secretary of State, are working. Mr Francis Pym, Secretary of State for Foreign and Commonwealth Affairs, said in a statement in the Commons.

The Government was sparing no efforts in the search for an acceptable solution in line with the principles he had stated on several occasions.

Although it is we who have been the victims of aggression (he said) it is also we who are working tirelessly and constructively for a peaceful solution.

Mr Pym said: The military losses which have now occurred on both sides in this unhappy conflict emphasize all the more the urgent need to find a diplomatic solution.

The House will wish to know that since my return from the United States on Monday I have remained in the closest possible touch with Mr Haig.

As I reported to the House yesterday, we are working very actively on ideas put to us by Mr Haig including some advanced by the President in Peru.

Yesterday afternoon, after my statement, I sent a constructive contribution of our own to Mr Haig. He is not so worried about how it is filled, so long as it is.

In my opinion, the Haig efforts are the most realistic basis for achieving a settlement but I do not exclude anything else and certainly not the United Nations.

Mr Haig: It has been widely reported that the Secretary of State has put various proposals to the British and Argentine Governments for a substantive solution to the crisis.

Mr Pym: I confirm those reports and inform the House that the British Government will take the initiative in responding to the proposals.

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ing processes which will get Argentine forces off the islands. That is an important distinction from the demand that a ceasefire cannot take place until Argentine forces have left.

Mr Pym: I thank him for what he said at the beginning and recognize that we share a desire to achieve a peaceful settlement if it can be done.

About the two-day ceasefire, in connection with the negotiated settlement which involves withdrawal, arrangement for a ceasefire is an inevitable part and it is always been part of the discussion.

It is helpful that I am in close touch with the UN Secretary-General. He has offered his good offices to the Argentine and I have responded in that sense to him.

We have shared ideas. The ideas he sent recently I am responding to.

There has been no suspension of the peace initiative by Mr Haig. Mr Haig perhaps implied that Mr Haig's efforts had come to an end. That is not so. It is clear that they began a new phase when the Argentine rejected the proposals put forward earlier.

It is helpful that his efforts are continuing.

I do not agree that only the United Nations can fill the gap. I am not so worried about how it is filled, so long as it is.

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Mr Pym: I note carefully what he has said, but I would unreservedly prefer that these troops leave the islands under peaceful means rather than be driven out by force and if anyone can achieve that everyone would be relieved.

Mr Robert Croy (Keighly, Lab): Would he confirm that resolution 502 does not give carte blanche for any military action by the Government but calls for a cessation of hostilities and a negotiated peaceful resolution of the dispute?

Does not the Government recognise the escalation of the military activity could result in the deaths of the Falkland Islanders — the very people, we are claiming we are seeking to defend?

Does he not realise that by military action the Government is seen to be less and less willing to find a diplomatic settlement and more and more for a military settlement?

Mr Pym: The resolution also calls for withdrawal which he did not mention. I am thinking of the islanders and they are suffering at the moment under the heel of the invaders whom they did not want and did not invite and which is intent on imposing on them a way of life and government they did not want.

It is in their defence we have taken the steps we have. They are at the moment suffering under an invading country and there are far too many invading countries in the world at the present time. We have that very much in mind.

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## TASK FORCE

On no account must British ships in the task force in the South Atlantic be jeopardized by giving information prematurely. Mr John Nott, Secretary of State for Defence, said in a further statement to the Commons about the loss of HMS Sheffield and further questions about the sinking of the Argentine cruiser General Belgrano.

The task force, he explained, could not conceivably have any lesser rules of engagement than those the Government issued which were to allow the ships to defend themselves as a fleet.

Members of the Opposition parties in the House associated themselves with expressions of sympathy with the crew of HMS Sheffield and the Sea Harrier pilot who lost his life.

Mr Nott appealed to press, radio and television to give some privacy to the next few days to the families of those involved in this tragedy.

Mr Nott, in his further statement about the Argentine attack on HMS Sheffield, said:

In the afternoon I made to the House last (Tuesday) night I provided an outline of the attack on HMS Sheffield and of the loss of one of our pilots. Lieutenant Nicholas Taylor, his next-of-kin have been informed and the whole House will know what a terrible loss this is to our country and to his family.

It is entirely right that the House should have as full an account of the attack on HMS Sheffield as I am able to give today. The House will understand that I am not in a position to repeat some of the details I provided last night.

At about 3.30 London time yesterday, HMS Sheffield was hit by an Argentine Super Etendard aircraft which launched Exocet missiles. HMS Sheffield was some 70 miles off the coast of the South Atlantic, within the exclusion zone, together with other elements of the task force.

One missile missed the ship; the other hit the anti-aircraft gun resulting in a major fire. Although attempts were made to extinguish the fire for nearly four hours, with assistance of fire-fighting teams from other ships in the area, it eventually spread out of control.

At about 7pm London time the decision was taken to abandon ship. The ships of the task force, the area picked up survivors, and the latest information I have is that about 30 men are still missing. A further number sustained injuries, and they are being well cared for under medical supervision.

We have no further details of the ship's crew at this time. The ships are still engaged on operations and I know that the force commander will provide further information just as soon as it is available.

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## New rules on tape recording in Police Bill

By Peter Evans, Home Affairs Correspondent

New rules covering tape recording of police interviews and wider powers to stop and search will be included in a Police Bill being prepared by the Government for introduction in the Autumn.

For the first time since the police were formed, the Bill is expected to introduce codes governing every aspect of the relationship between the police and people who might come into contact with them in a criminal matter.

Greater independent oversight of the handling of complaints against the police will be an important proposal in the Bill. But there is likely to be no provision to give statutory backing to consultations between police and the community, as Lord Scarman wants.

His plea last weekend for his recommendations, made in the report on the Brixton riots, to be introduced as a package is unlikely to be needed.

Ministers are to decide on the mix of proposals in the Bill this month so they can be drawn up for inclusion in the Queen's Speech in the autumn.

The Bill will broadly endorse the main thrust of proposals 18 months ago by the Royal Commission on Criminal Procedure, which was the first comprehensive review of its kind for a century.

The Government has accepted the principle of tape recording evidence given to the police during interviews, but has been waiting to see the outcome of a limited experiment in Scotland, which has now been extended to Glasgow and Aberdeen.

What is in the Bill will depend upon experience there. Ministers say there is so far no general indication that the principle of tape recording of police questioning is proving impracticable. The royal commission recommended its gradual introduction, to be used in indictable cases for the making and reading back of the summary of interview of a written statement.

The Bill is expected to go along with the commission's recommendations that powers to stop and search persons on reasonable suspicion of being in possession

of stolen goods or prohibited articles like firearms or drugs should be available throughout England and Wales. Searching of vehicles would be on the same footing.

The commission also recommended that the stopping of a person or vehicle should always be recorded with reasons given for the action and copies available for the person stopped. The principle is likely to be adopted in the Bill.

One curious gap in the present law is that there is no provision for police to obtain a warrant to search a house for the body of a murder victim. The Bill will make one.

Wider powers for the police by safeguards to protect suspects in detention and under interrogation. The basis of the Bill will be that there should be no duty on a suspect to answer questions and no modification of the right of silence.

Judges' Rules and the present administrative directions to the police will be replaced by legislation. Ministers are considering how far to go in excluding evidence obtained in breach of the new code of practice for regulating interviews, which would replace Judges' Rules. Ministers think an exclusionary rule should be kept.

The second part of the Bill is likely to contain proposals for an independent assessor to be appointed as an added check on the investigation of complaints against the police. Home Office thinking is that there is not enough public concern to warrant a completely independent investigation system, but will take into account the views of the Home Affairs Select Committee, which finished taking evidence on the subject yesterday and plans to report at about the end of the month.

If, as expected, and assessor is recommended, deputies appointed in the provinces could help to provide closer liaison with local police authorities and the Inspectorate of Constabulary to allow greater oversight of police work.

The most likely candidate for the job of assessor would be Sir Cyril Phillips, who chaired the Royal Commission and is now chairman of the Police Complaints Board.

## Lawyers press for change on judges

By Frances Gibb

The Law Society is pressing the Government to remove the present block on circuit judges who were originally solicitors being appointed to sit as High Court judges. At present only former barristers can be appointed.

It is intended to put down an amendment to the Administration of Justice Bill which shortly starts its passage through the Commons; the second time in the past 18 months that the society has tried to change the law on this point.

Mr Graham Lee, secretary, professional and public relations at the Law Society, said: "We are not saying solicitors should be High Court judges. We are saying that circuit judges should be entitled to be High Court judges, whether they have been solicitors or not."

"Once someone is appointed a circuit judge, he or she is technically a barrister or solicitor, so why make the distinction?"

Mr David Edwards, another official at the Law Society, said it was illogical that circuit judges could be appointed to sit as High Court judges, if they were good enough, but not if they had been solicitors.

The Law Society's last attempt to change the law was during the passage of the Supreme Court Bill through the Lords. The amendment was opposed by the Lord Chancellor, Lord Hailsham of St Marylebone.

An official from the Solicitor General's office indicated yesterday that the Government's position remained unchanged, and therefore the Law Society will depend for the success of its amendment on the degree of back-bench support it can muster.

Opposing the amendment proposed to the Supreme Court Bill, in March 1981, Lord Hailsham said practice in the High Court, depended on knowledge of the complex High Court practice. "I cannot see the smallest possibility of appointing to the High Court bench anybody who had not got, not 10, but probably more like 20 or 25 years experience of High Court practice, both pleading and advocacy, and in the present situation that means members of the Bar."

If a solicitor felt his role was in advocacy he should follow the path taken by Lord Wilgery, the former Lord Chief Justice, and change over to the Bar, he said.

## Police in Toxteth riot case cleared

From Arthur Osman  
Mold

Two Merseyside police officers will be back on duty today after being cleared yesterday of the manslaughter of a partially disabled man during last summer's Toxteth riots.

A jury at Mold Crown Court found Sergeant Keith Wilkinson, aged 34, of Buttermere Close, Maghull, not guilty on the direction of the judge before any defence evidence was called. Constable James Keenan, aged 30, of Grasmere Avenue, Prescot, was found not guilty on an unanimous verdict. It was the ninth day of the trial.

In a statement read by Mr Kevin Dooley, a Liverpool solicitor after they had left the court, both officers expressed their condolences to the dead man's family "and their relief that they have been vindicated by the jury of any criminal responsibility". They said they would "now like to return to the privacy of their families and are looking forward to returning to their normal duties."

Mr David Moore, aged 23, of Wavertree, Liverpool, a partially disabled man was hit by a police van driven by Constable Keenan. The police support unit in the vehicle was commanded by Sergeant Wilkinson.

Solicitors for the dead man's family said later that they would be making a civil claim for damages against the police.

The court had been told that the van had been driven over wasteland in Toxteth on a night of violence to disperse rioters throwing petrol bombs and missiles at a group of unprotected police officers.

After two days of submissions by Mr George Carman, QC for Constable Keenan and Mr John Hazan, QC for Sergeant Wilkinson, that the case should be



Sergeant Keith Wilkinson (left) and Police Constable James Keenan leaving Mold Crown court yesterday after they had been cleared of the manslaughter of Mr David Moore.

withdrawn from the jury, the judge ruled yesterday that there was no evidence against Sergeant Wilkinson that he had committed the offence. The judge said the sergeant had not controlled or participated in the driving.

Before the jury was directed to return a not guilty verdict against the sergeant, the judge said he had not taken the same course in Constable Keenan's case because the weight of evidence relating to him was a matter for the jury and not himself. There had been conflict between witnesses.

The judge told them: "If at any stage you desire to say that the defendant Keenan is not guilty you are entitled to

say so. Manslaughter cannot be proved unless Keenan showed such disregard for life and safety as to amount to criminal conduct."

"This requires proof of a very high degree of negligence going beyond carelessness and dangerous driving."

In the case of a police officer beginning his manoeuvre for the prevention of crime he had a measure of statutory protection: dispersing rioters carried an element of risk. The crown had to show that Constable Keenan went outside a lawful operation.

The jury was entitled to look at all circumstances and the judge continued: "May David Moore have been a

rioter or associated with rioters? If so what is the duty of care of a driver carrying out lawful manoeuvre of dispersing rioters? Has the crown proved that Keenan went beyond the protection of the Act, that what he did was unreasonable and not necessary in the prevention of crime?"

After a 30 minutes adjournment the jury returned with a not guilty verdict and judge and counsel paid tribute to the "enormous thoroughness" of the investigation. Police interviewed 1,400 people including 1,200 police officers and 231 officers spent six weeks in Liverpool on, that the judge called, a difficult and important case.

## New GLC post to help women

The Greater London Council is seeking applicants for the newly-created £17,000-a-year post of women's opportunities adviser (David Walker writes). It is believed to be the first such job offered by any employer.

The job is the latest of a number of senior and well-paid posts announced by the Labour administration. The official will be expected to take "significant new initiatives aimed at eradicating unfair discrimination in employment".

At the annual meeting of the Labour group of councillors last month it was decided to create a women's committee, which would review GLC jobs to find out if enough women were employed at various grades. Its chairman or "chair", in GLC parlance, is to be Miss Valerie Wise, a noted left winger.

## 'Sun' journalists get 9.8pc rise

Journalists at The Sun who had been in mandatory union meetings for the past week, yesterday returned to normal working after agreeing a pay and conditions package worth 9.8 per cent. The deal includes a 5 per cent increase in salaries from April 1, a £500 productivity payment and a payment of £310 plus £13 as partial consolidation of a media allowance. There are improvements to holiday and other benefits. The new minimum salary is increased to £14,600, according to the National Union of Journalists.

## Railway death

Franck Piron, aged 14, a French schoolboy was killed by a train at Wimbledon, south London, when he tried to walk home along a railway line, thinking he had missed the last train. An inquest at Westminster yesterday recorded a verdict of accidental death.

## Bishop's miles

The Bishop of Hereford, the Right Rev John Eastaugh, aged 62, set off yesterday on a 200-mile pilgrimage on foot through his diocese to mark the 700th anniversary of the death of St Thomas Cantilupe.

## Teachers' 6 pc

Teachers in Scotland were yesterday awarded a 6 per cent increase, backdated to April, by the Advisory, Conciliation and Arbitration Service.

## Cheap TV licences may break rules

By Kenneth Gosling

Local authorities operating cheap television licence schemes for pensioners were given a warning yesterday that they could be flouting the regulations governing that concession, which is enjoyed by an estimated 480,000 pensioners.

The warning comes in the wake of a letter sent last week to 8,000 South Tyneside pensioners who bought 5p television licences, through a misinterpretation of the law by the local borough council. The National Television Licence Records Office, which sent the letter, said yesterday: "As a result of this we will be looking at other authorities."

A spokesman said: "The original idea was to cover institutionalized accommodation. On South Tyneside, the people who benefitted were not living in accommodation specially provided for old people."

It was also being claimed yesterday that some local election candidates were promising concessionary licences without fully understanding the regulations.

It was in 1969 that Mr John Stonehouse, the postmaster-general, introduced a dual

system for licensing television sets used by old people. If they had their own private set in a room in an old people's home or in housing provided by a local authority under the supervision of an area warden, the fee was only 5p, then one shilling. (In 1969 a colour licence cost £11).

Subsequent attempts by some authorities to extend the scheme have run into trouble. The records office said some tried to evade the regulations by appointing young people to visit old people in their homes four times a year. They regarded

that as qualifying them as living in "sheltered" accommodation, which it did not.

The BBC estimates a revenue loss to them on South Tyneside of £600,000.

Under the Wireless Telegraphy (Broadcasting Licence Charges and Exemption) Regulations, 1970, the definition of an old people's home includes "a group of dwellings provided under Part V of the Housing Act 1957, specially for retired persons of pensionable age in association with other accommodation or facilities intended for the common use of all the occupants".



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## Metro Vanden Plas £4,995



# BMA backs call to reduce lead pollution

By Our Medical Correspondent

A report on lead pollution which says it is scientifically impossible to set a level at which lead is harmful to individuals was unanimously approved by the council of the British Medical Association (BMA) yesterday.

The report, by the BMA's science and education board, will lend considerable support to the campaign to reduce lead in petrol when it is submitted to the Royal Commission of Environmental Pollution.

The BMA now accepts that studies are showing mental impairment in children occurring at lead levels lower than previously thought harmful and emphasizes that these reports should not be ignored.

The new report says that as there is a high degree of individual susceptibility to damage by lead there is a continuum of harm.

The BMA recommends that lead in the environment should be reduced and that in particular urgent measures should be taken to reduce the amount from sources which might affect women of reproductive age, infants and children.

The scientific board has quoted in the report from the preliminary findings of an experiment in Turin, commissioned by the EEC and a United States Government agency. By using lead with a distinctive isotope in petrol, it has been possible to show that a third of the blood lead level derives from petrol.

After the meeting a BMA spokesman said: "Lead is a biological poison. If the opportunity arises to reduce the concentration by a third the conclusion about what should be done should be obvious to everybody; particularly as it is an accumulative poison, which is only very slowly rid from the body."

"It has a half-life measured in a considerable number of years so that by the time we reach adult life it is already too late to excrete all the lead accumulated in childhood."

**Hospital appeal**  
The overcrowded and unsafe working conditions in which research is being carried out at St Bartholomew's Hospital in London has prompted the hospital to launch an urgent public appeal for money (Felicity Jones writes).

The patient-orientated research work, which includes investigation into the

cause and treatment of childhood and adult cancers, baby deaths from premature delivery, diabetes and occupational lung diseases, has for some time been at risk due to the severe shortage of space.

Doctors claim that they are working in appalling conditions in corridors, huts and converted lavatories, which threaten the work with the 25,000 patients whom they see each year.

The hospital has raised already the £3m from its trustees and industry needed to house the 18 clinical departments. But more money is needed to convert the centre, £500,000 of which it hopes to raise immediately from the present appeal.

Under threat is the research into the treatment of cancer patients with myeloblastic leukaemia. The department has boosted the potential survival rate of patients with this disease from 5 to 50 per cent.

## Shared training

A working party, has recommended that some of the training of nurses and social workers who provide care for the mentally handicapped should be shared. It has not, as was hoped in some quarters, come out in favour of a single form of training.

The working party, composed of representatives from the three United Kingdom nursing councils and the Central Council for Education and Training in Social Work, has agreed a plan of action intended to form the basis for cooperation and shared training. It is proposed that students for the registration as a nurse for mentally handicapped people (RNMS), and the Certificate in Social Service (CSS) would join together for theoretical and practical learning where the position of training centres made it feasible.

In cooperation in training, the working group says: "By learning together for part of the course, students will cultivate the mutual respect and understanding necessary for closer cooperation between health and social services in promoting improved services for mentally handicapped people."

A completely new form of combined training, however, has been ruled out. The working group saw this as a threat to the identity of the two professions.

## Dock union leaders call off strike

By Paul Routledge  
Labour Editor

Dock union leaders yesterday decided by a narrow majority to suspend the national port strike due to begin on Monday over the extension of the industry's unique job security system.

The Transport and General Workers' Docks and Waterways Committee voted to put off industrial action to allow time for testing the Government's intentions on bringing up to 80 ports into the National Dock Labour Scheme.

By an undisclosed, but small majority, the committee agreed to recommend to a national docks delegate conference tomorrow that the proposed strike involving 24,000 dock workers should be suspended while proposals to extend the scheme to individual ports where employers and workers wanted it.

Mr David Waddington, Employment Under-Secretary, said in a letter to the TGWU that the Government would give serious consideration to details of proposals on the extension of the labour scheme to individual ports where employers and workers wanted it.

At a press conference after the merger of the former National Union of Agricultural and Allied Workers with the TGWU, Mr Evans made it clear that the localized nature of many agricultural disputes would not inhibit the union giving "considerable assistance" to members in difficulty.

Leading article, page 13

## £15,120 for Antoinette's tender notes

By Geraldine Norman  
Sale Room Correspondent

Documentation of the efforts of Count Hans Axel von Fersen to protect and rescue Queen Maria Antoinette form the hands of the revolutionaries was bought by the French Archives Nationales at Christie's yesterday for £15,120 (estimate £15,000-£20,000).

Fersen was the queen's most faithful ally and confidant; whether there was a closer relationship remains unresolved but the tender tone of this correspondence suggests it.

The documentation includes autograph letters from the queen to Fersen from the Tuileries written in 1791 and 1792, and transcripts of other letters, mostly in Fersen's hand, and many letters from Fersen to the Queen.

There is a theoretical bill for the coach, a Berlin, in which the queen escaped to Barrennes in June, 1791, made out to an assumed name, la Baronne de Korff.

The top price at Christie's sale of autograph letters, documents and manuscripts was secured by a Sherlock Holmes short story. The Greek Interpreter, at £15,600 (estimate £12,000-£15,000) to Quaritch.

An important political archive from the first decades of the Greek Republic (1820-60), comprising the personal papers of Pericles Argyropoulos and Konstantine Schines, some 1,600 pages, went to a London dealer for a Greek client at £12,400 (estimate £8,000-£10,000).

A delightful unpublished story written and illustrated by Edward Lear for Lady Susan Percy, starring Lear himself losing his hat on a windy day made £2,160 (estimate £1,200-£1,500) to John F. Fleming, the New York dealer.

## Legal win for Gilbert O'Sullivan

Gilbert O'Sullivan the pop singer won his case in the High Court yesterday for a fair share of the millions of pounds made by his records. He had been exploited by Mr Gordon Mills, his former manager, Mr Justice Mansfield said. He awarded Mr O'Sullivan copyright of his songs and the master tapes of his records, together with costs unofficially estimated at £100,000.

Between 1970 and 1978, five Gilbert O'Sullivan single and seven long-playing records grossed an estimated £14.5m, from which Mr O'Sullivan received only about £500,000 before tax.

The judge set aside agreements made between Mr O'Sullivan and Mr Mills and his company, Management Agency and Music Ltd, as they were "an unreasonable restraint of trade".

## Changes in seats proposed

The Cardiff parliamentary constituency held by Mr James Callaghan, the former Prime Minister, will disappear if recommendations published by the Boundary Commission for Wales today are accepted.

The Cardiff seats including those held by Mr Callaghan and Mr George Thomas the Speaker of the House of Commons, along with Barry and Pontypridd would be replaced by four new Cardiff seats and a county constituency covering the western part of South Glamorgan.

## Embassy hearing

The owners of a building at Princes Gate, South Kensington, London, formerly occupied by the Iranian embassy, were due to appear before magistrates yesterday because of their refusal to repair the structure, but they did not attend and the hearing was adjourned until May 19 at Bow Street Magistrates Court.

## Back in print

Machine room workers at the Eric Beames printing works, Liverpool, have resumed normal working, pending a meeting about their pay dispute on Monday. An unofficial strike by 168 men last week halted production of The Sunday Telegraph and News of the World magazines.

## Benefit ruling

A teacher who voluntarily took advantage of an early retirement scheme was not entitled to unemployment benefit for the first six weeks after leaving his job, the Court of Appeal in London has ruled yesterday. Permission to appeal to the House of Lords was refused.

## BR bargains

From May 17 British Rail is to run an all first-class overnight train in each direction between London and Scotland with single fares starting at £12 — one third of the ordinary first class single fare. This is to win back passengers lost to coach travel.

## Inquiry sought

Mr William Homeward, Labour MP for Kettering, yesterday called for an inquiry into the safety record at the British Steel Corporation plant at Corby, Northamptonshire, where three demolition workers have been killed in the last 15 months.

## Funerals halted

Crematorium staff in Liverpool voted yesterday to join the strike by the city's gravediggers from May 17. They said they will honour funerals up to date, but are not taking new bookings.

## Farmers fear a return to the wilderness

From John Young  
Agriculture Correspondent  
Stoke St Gregory

"Not so long ago a farmer could be asked to do his job properly," Mr Dick House (right) recalls. "Now it seems they want to penalise us for doing it too well."

"We are being asked to become bad farmers," he claims, gesturing towards the flat pasture on which his family have kept cattle for generations. "If they have their way, I can see this area reverting within five years to what it used to be, nothing but rushes."

"They" in this case are the Nature Conservancy Council which recently announced its intention to designate 2,500 acres of West Sedgemoor, part of the so-called Somerset Levels, as a site of special scientific interest (SSSI).

It was a bold step and one which will provide a searching test of whether the Wildlife and Countryside Act, derided by conservationists as too feeble and by farmers as impracticable, can be made to work.

The farmers affected are bewildered and resentful. Mr Bert Betty, who was the first farmer to drain land on West Sedgemoor, at the suggestion of the Ministry of Agriculture, cannot believe that the



Luxury lavatory: People queueing outside Britain's first Automatic Public Toilet in Leicester Square, London, when it opened yesterday. The lavatory, for men and women, is open 24 hours a day and costs 10p to use. It is the first of three of similar design to be sited in the West End for a six-month experiment.

## Falklands dominates voting today

By Richard Evans and David Walker

### LOCAL ELECTIONS

Millions of voters in England and Scotland go to the polls today in council elections dominated by events 8,000 miles away in the South Atlantic.

Having totally overshadowed the political campaigning which has preceded the poll, the Falklands crisis looks set to play a significant role in deciding the political make-up of many of the 183 authorities where voting takes place.

Opinion polls have indicated a considerable strengthening in Conservative support, coinciding with the Falklands issue, but yesterday party managers were uncertain what effect the destruction of HMS Sheffield and a Sea Harrier would have on voters' intentions.

In London and the Home Counties in particular, Britain's dispute with Argentina appears to be uppermost in electors' minds, rather than local issues, and the outcome of the contests will be seen in some quarters as a public verdict on the Government's handling of the crisis.

In many authorities only a third of sitting members are up for election, but there are "all out" fights in London's 32 boroughs, nine Scottish regional councils and 10

metropolitan districts, including Manchester and Birmingham.

The Social Democratic-Liberal Alliance is fielding candidates in nearly all the 4,800 seats being contested and their participation has been peonised, until international events intervened, to make those elections the most fascinating for decades. The alliance, fighting its first nationwide campaign, has suffered more from the lack of press attention given to the elections than its established political opponents, and in several areas sanguine predictions by SDP activists have been whittled down to hopes of gaining a "few seats".

The Conservatives, defending gains made four years ago at a time of acute Labour unpopularity, have fought a deliberately low-key campaign and had feared heavy losses until the recent revival in their fortunes. They are hoping their concerted attack on "spendthrift" Labour authorities combined with the patriotic fervour will be to their advantage.

Mr Michael Heseltine, Secretary of State for the Environment, dealt a final campaign blow yesterday when, summing up his party's message, he said: "Can you afford not to vote Conservative?"

In normal circumstances Labour would be looking to take advantage of the customary mid-term slump in support for a Conservative government and regain control in authorities lost last time, as well as making gains elsewhere. The party is likely to do better in the north of England and Scotland, where the effects of unemployment have been particularly harsh.

Today's contests involve five million voters in London, nearly four million in Scotland and several million more in a mixture of districts scattered throughout England.

Manchester looks certain to remain in Labour hands but Tory officials in the West Midlands said yesterday that its law and order campaign in Birmingham should, together with the Falklands factor, allow Conservatives to take control of the city.

□ Voters in Wandsworth, south-west London, go to the polls with their rates uncollected, their bins only partly

emptied and unable to contact the town hall to complain because its telephone operators are on strike.

A dispute between the Conservative-controlled council and refuse collection workers which began two weeks ago over the council's intention to invite tenders from private firms for refuse collection, has widened into what the National and Local Government Officers' Association yesterday called chaos.

Mr Christopher Chope, the council leader, called the strike a "political act".

□ Five Conservative members of the Greater London Council were yesterday nominated to succeed Sir Horace Cutler as leader of the party at County Hall in opposition to Mr Kenneth Livingstone, the Labour leader of the council. They are: Mr Richard Brew, the deputy Tory leader, and Mr Alan Greengross, the party's transport expert, Mr Peter Black, Mr Cyril Taylor and Mr Robert Vigers.

Correction

□ The total of Scottish National Party candidates for Scottish regional councils, given as 1,309 on May 3 should have been 269.

## Longer airport inquiry

By Hugh Clayton  
Environment Correspondent

The Government announced yesterday that the final stage of the public inquiry into the siting of London's third airport will not start until next year. It was the first official statement of the expected length of the proceedings since they began six months ago, and exceeded estimates by observers that the sessions would be finished by Christmas.

The Department of the Environment announced yesterday that examination of the case for building a fifth terminal at Heathrow airport would probably begin in mid-January at a hotel overlooking the runway. It is unlikely that Mr Graham Eyre, the inquiry inspector, will make a recommendation to ministers before the next general election campaign in full swing.

Most of this year will be taken up by the test of the British Airports Authority's case for turning Stansted airport in Essex into the third airport. But Mr Eyre is also to consider the case for building the airport at Maplin sands.

The inquiry will also be halted for a few days to make room for a short separate inquiry into the fate of a medieval moat near the present Stansted runway.

## Huntsmen confident council ban will fail

By Hugh Clayton, Environment Correspondent

Supporters of hunting believe it will be impossible for South Glamorgan Council to enforce a ban on foxhounds, even if its members vote for one today. Mr Anthony Martyn, master of the Glamorgan Hunt and chairman of the local action committee of the British Field Sports Society, has taken legal advice about the proposed ban.

The motion to be proposed by a Labour member of the council in Cardiff is one of many similar attempts to ban the hunting of prey with hounds on rural land owned by councils. Similar motions have succeeded in Banbury, Berkshire and Waverley District in Surrey.

South Glamorgan is one of many councils where the authority is divided into rural land owned by the council and urban land on which sports rights are assigned to tenants. The only way of enforcing a vote for a ban is to wait until a tenancy ends and write an agreement for the new tenant which reserves sports rights to the council as landlord.

The Cardiff vote will mark the start of the most concerted campaign yet by opponents of hunting to

## Vatican replies to 'unity' report

By Clifford Longley  
Religious Affairs Corr

The Vatican has issued a long reply to the final report of the Anglican-Roman Catholic International Commission, both praising and criticizing it and recommending that the process of doctrinal discussion between the two communions should be continued and widened to embrace moral issues.

The report, the result of 11 years of study by theologians from both traditions in the principal areas of disagreement, gave sufficient grounds for thinking that the exercise will be fruitful, the Sacred Congregation for the Doctrine of the Faith states in a document published today.

It identifies some "negative aspects" of the report, however, and claims that, from an official Roman Catholic point of view, some of its propositions are inadequate, ambiguous, or otherwise questionable. The congregation has subjected the report to a close and detailed analysis, and some of its observations are in a conservative spirit.

The report, nevertheless, marks a "singular event" in the history of the relations between the two communions, and constitutes a notable effort towards reconciliation.

The congregation says that its comments are offered not as a final word, but as a contribution to the discussion within and church. The report, and the observations on it, is now being circulated to bishops' conference throughout the world for comment, and the Vatican's Secretariat for Christian Unity will coordinate the replies.

The most serious criticism is probably the congregation's treatment of the passages on papal privacy and infallibility, where it appears to find the common ground expressed in the report inadequate.

The international commission had suggested a way round the traditional Anglican objection to Roman Catholic teaching on the papacy, by arguing that it had evolved as a historical necessity to preserve the unity of the church.

The congregation confronts this with the words of the First Vatican Council that "the apostle Peter received immediately and directly from Jesus Christ Our Lord a true and proper primacy of jurisdiction," which is the source of the authority now possessed by St Peter's successor. The power of jurisdiction belonging to the Pope "is intrinsic to this office, not something which belongs to it for human reasons nor in order to respond to historical needs."

The congregation points out that the dialogue between the two churches has not looked at the issue of the ordination of women, recalling not only that in 1976 a Vatican declaration stated that it was not possible, but also that certain parts of the Anglican communion now had women priests.

It also criticises the traditional Roman Catholic position that the church's official teaching, the magisterium, applies not only to fundamentals of doctrine but to all aspects of faith and morals. That appears to widen the future scope of unity.

A particular ambiguity to which the congregation draws attention is the report's use of the word "substantial" in describing the degree of agreement that had been reached. The word has a different meaning in everyday English from that found in theology, it states, and in the latter sense the congregation doubts that it is applicable. The final report "does not constitute a substantial and explicit agreement on some essential elements."

The motion at Humberstone is to be worded in a way which will put pressure on tenants who farm the council's 9,000 acres to enforce a ban. South Glamorgan owns about 3,000 acres, of which about 500 are hunted by the Glamorgan foxhounds and the South Wales Bassets.

□ The Co-operative Wholesale Society yesterday defended its decision to ban hunting on its 14 farms and estates around Bristol, covering 38,000 acres, the largest private holding in farmland in the country (Derek Harris, Commercial Editor, writes).

"There has been much unfair criticism, such as suggestions that the decision resulted from extreme left-wing agitation," said Mr Dennis Andrus, chief executive of the CWS. "It is nothing of the sort. The CWS board has simply acted democratically."

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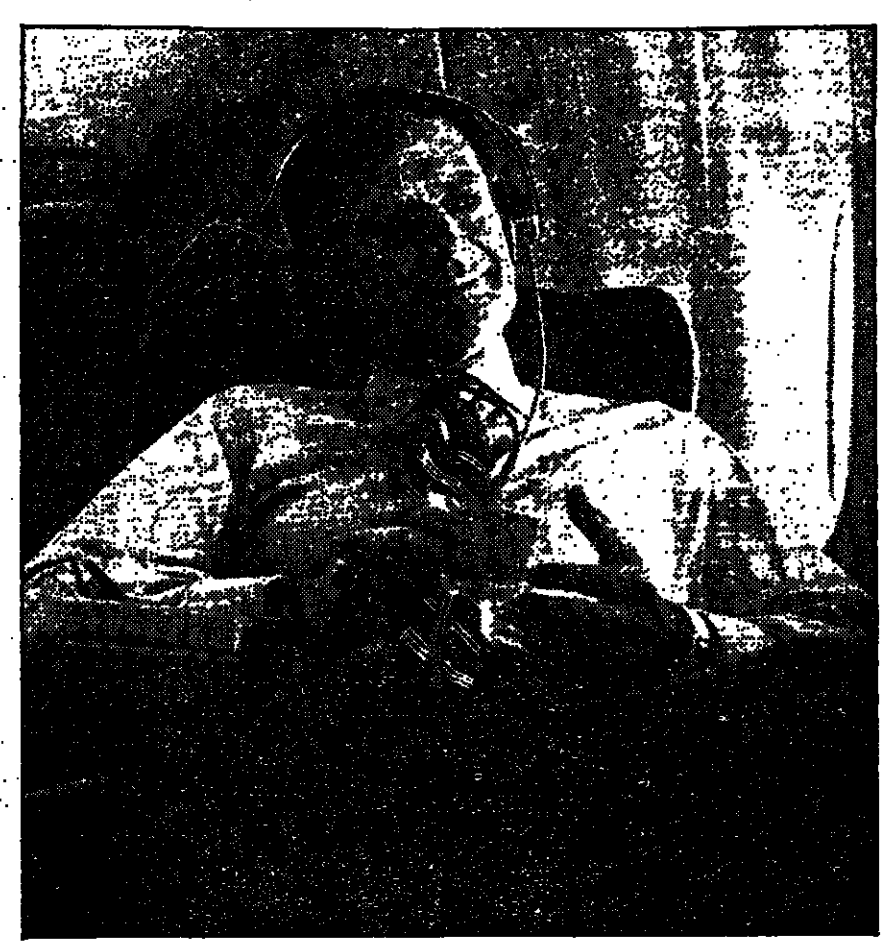
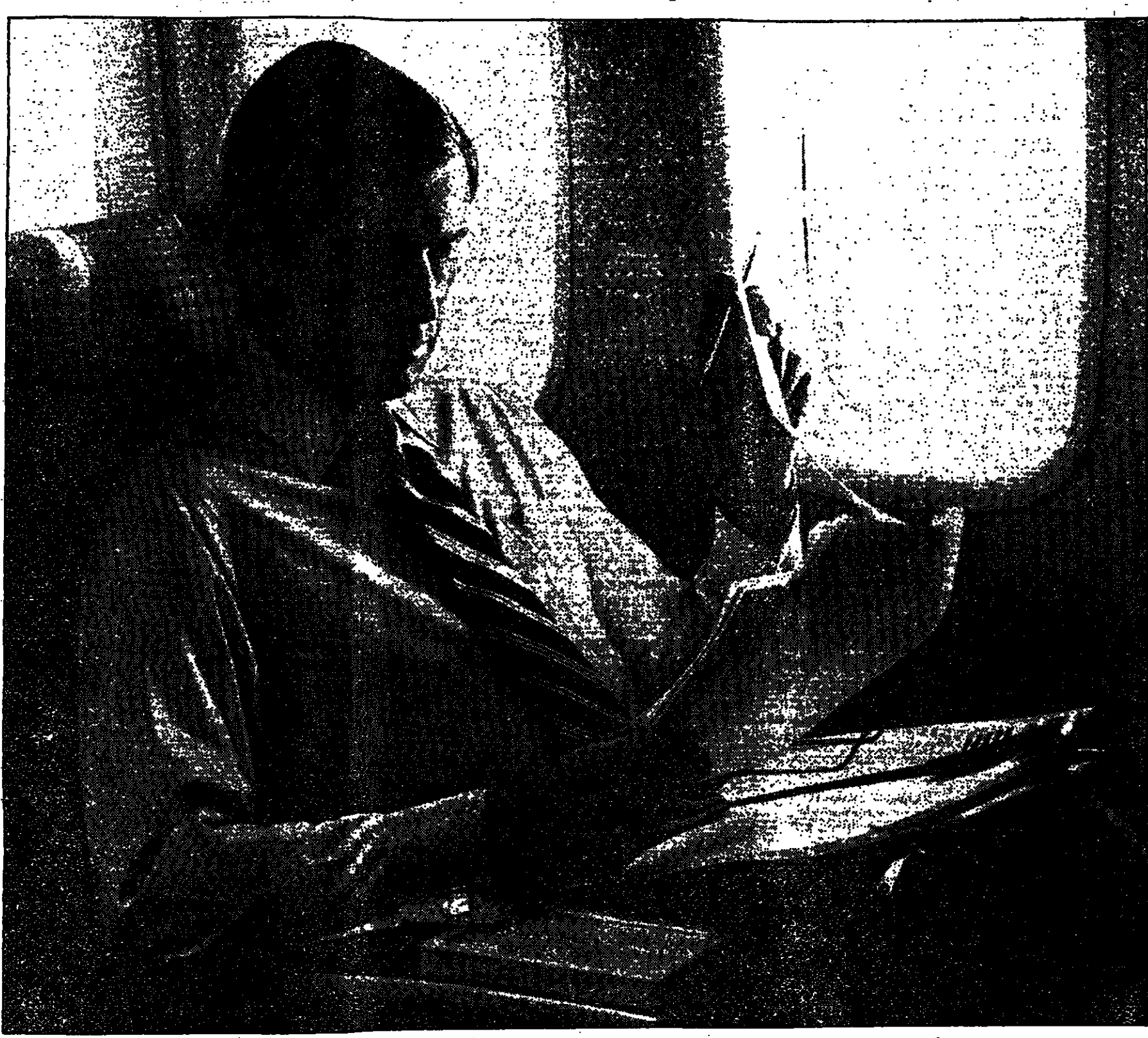
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## Use of live rounds in Gaza defended

From Moshe Brilliant  
Tel Aviv, May 5

The toll of violent deaths in the occupied West Bank continues to mount. Four Arab teenagers were killed last night in a mysterious explosion in a gully near Jenin, while a 14-year-old girl died today in a Jerusalem hospital after being shot in the head on Sunday, apparently by an Israeli civilian.

An army officer in the Jebel refugee camp in the Gaza Strip fired live ammunition this morning to break up a demonstration. The military command said shots were fired at the rioters' legs to repel a mob attack on a small military position in the camp. The Israelis said two Arabs were injured.

Arab sources said six young men and a young woman were hurt. The independent Israeli newspaper Haaretz claimed today that casualty figures in demonstrations were higher in the past month and a half than in the previous year of Israeli occupation — nine Arabs and two Israelis killed and 30 soldiers, 19 Arabs, 16 Israeli civilians and four foreigners injured. Today's toll is not included.

In Jerusalem today, Labour Party deputies criticised Lieutenant General Rafael Eitan, the chief of staff for the use of live ammunition against demonstrators. He replied that this was done only as a last resort after warning shots, tear gas and rubber bullets failed.

Critics said it was curious that bullets aimed at people's legs should have killed them. They said civil disobedience had escalated since the Israeli installed a civil administration on November 1 to replace the military. The general claimed the unrest was provoked by agents from abroad on orders from the PLO in Beirut and Damascus.

Military sources said the cause of the blast that killed four Arabs in Yabod, near Jenin was being investigated. Arab villagers said the area had been a Jordanian mine field. Israeli Army investigators searched the homes of the victims and summoned families for interrogation.

Tension rose in Nablus where Israeli troops set up a position on the roof of a soap factory owned by the prominent Toukan family. Local residents said they counted 500 sandbags raised to the roof.

Mr Sharon, the Defence Minister, visited the position today and worried Arabs suspect it is a nucleus of an Israeli settlement. They said they were reminded of a case in Hebron where troops set up a position on the roof of a building. The building was later turned over to Jewish militants for settlement.

A member of Mr Sharon's staff scoffed at the idea.

## Head of nuclear power project killed by ETA

From Harry Debelius, Madrid, May 5

In its first act of direct, violent confrontation with the Basque home-rule Government, the ETA secessionist movement today murdered the chief engineer of a nuclear power plant under construction in Bilbao, just as they killed his predecessor less than 16 months ago.

The attack occurred on the morning when representatives of the home-rule Government were to sign documents in the regional capital, Vitoria, transferring responsibility for the operation of the nuclear plant from the privately owned Iberduero Power Company to the regional authorities.

The timing of the attack made it clear that the ETA would continue its campaign against the nuclear installation even after the project received political support from Basque officials.

Four gunmen in a parked car shot dead the engineer, Señor Angel Pascual Mugica, as he was driving to work in Bilbao. His 18-year-old son, Inigo, a student, who was with him in the car, was slightly injured by flying glass.

Two bodyguards, apparently travelling in another car, fired at the terrorists as they made their escape. The car they fled in was stolen earlier this morning, was found soon afterwards in another part of the city.

The murder was part of an increase in ETA violence in support of a demand for the removal of all Madrid-controlled forces of public order from the Basque country by Friday week. It prompted Señor Leopoldo Galva Sotelo, the Prime Minister to call an emergency meeting in Madrid today with key members of his cabinet.

Señor Pascual Mugica, the project manager of the Lemoz nuclear station near Bilbao and an employee of the Iberduero Power Company for the past 25 years, was the father of four children.

He had taken over the functions of chief engineer at the newly completed plant last month, after more than a year in which the construction work was virtually halted as a result of the fatal shooting of his predecessor, Señor Jose Maria Ryan, by the ETA on January 29, 1981.

Terrorist opposition to the Lemoz plant was also expressed over the past few years in the bombing of scores of transformer installations, owned by the Iberduero company, mostly in the Basque region.



"See? We're even watering it!"

## St Lucia back in its groove

From Jeremy Taylor  
Port of Spain, May 5

Monday's general election in St Lucia put a decisive end to nearly three years of flirtation with political change and returned the island's 120,000 people to the familiar leadership of the late 1960s and 1970s. The United Workers' Party of Mr John Compton, the former Prime Minister, was swept back to power with 14 of the 17 seats in the House of Assembly.

Mr Compton was Prime Minister for 15 years until he was defeated by the St Lucia Labour Party, soon after independence from Britain in 1979. He is expected to continue his pro-Western foreign policy and to concentrate on restoring the island's economic growth.

The SLP, which held power for most of the last three years, managed to hold only two of the 12 seats it won in 1979, while the left-wing Progressive Labour Party of Mr George Odlum, which broke away from the SLP last year, took the remaining seats.

Mr Compton is faced with the task of halting St Lucia's economic decline and boosting its crucial tourist and banana industries. He can expect some American support: his victory will gratify Washington.

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## Sudan in difficulties Gaddafi blamed for Nimeiry's troubles

From Charles Harrison, Khartoum

Political problems resulting from rivalries in his own Army, bickering and ineffective leadership from the ruling Sudan Socialist Union, and conflicting demands from the south for the creation of additional regions, are only some of the difficulties now facing President Jaafar al-Nimeiry.

They are made more serious by an economic situation which experts describe as disastrous, caused by a high level of imports, lack of efficiency in industries and services, and an enormous debt burden.

Yet President Nimeiry, who has been in power since 1969 — by far the longest term served by any Sudanese leader — insists that recurring crises are not crucial to either his own survival or to the continuation of Sudan's pro-Western policy.

"I can remove my deputy, and have as many deputies as I want," he told me. "If any deputy is not working according to my plan, I will take him out."

Similarly, he plays down the importance of the riots which broke out earlier this year after sugar prices, always a hot political issue, had been raised as part of a new economic recovery programme. He says the student agitation against the sugar price increase was a result of Libyan agitation. Although there is no evidence of this, the student body is certainly open to influence from Muslim fundamentalists, including Libyans.

President Nimeiry is preoccupied by the alleged Libyan threat, although even some members of his own Government do not see it as a serious affair. His opponents say it is used as a diversion to cover up some of the Sudan's problems, particularly the rising prices of sugar, bread and other commodities.

## Vietnamese refugees flee camp

From Richard Hughes, Hong Kong, May 5

Hundreds of south Vietnamese refugees are making their second escape from northern camps, but this time from their common sanctuary in Hong Kong's main refugee camp to a recently vacated one.

Threats of continuing violence by their northern Vietnamese fellow refugees — groups of whom have been attacking the southerners with choppers and iron bars — led to the flight of nearly 1,000 from the Kaitak North camp to the empty Argyle 4 camp, where surprised camp workers allowed them to enter.

The former camp manager, Mr David Smith, who had to return unofficially to duty, pointed out that all the camp's bunks had been removed and that there were no cooking facilities.

Luckily we still have running water and the showers and toilet block is still working, he said. "The returning refugees are volunteering to move furniture and equipment from the Kaitak North camp to improve conditions and are working hard as if to repay us for granting them sanctuary, but it will only be temporary, I expect."

Hong Kong police have already arrested 51 Vietnamese refugees for involvement in the factional fighting over the past few days in the Kaitak North camp, where 7,487 refugees are awaiting resettlement.

A police spokesman said that order had been restored inside the camp and that "the two factions have been separated".

## Africans reject Namibia scheme

From Michael Hornsby, Johannesburg, May 5

Black Africa's "front-line" states have rejected the current Western attempt to secure a negotiated settlement of the Namibia question, and declared that it should be set aside in favour of a "Geneva-type conference under the auspices of the United Nations".

This statement — the most serious setback for the Western negotiating effort since it began towards the end of last year — was issued after a meeting yesterday in Dar es Salaam of the Tanzanian capital of "front-line" foreign ministers and Mr Sam Nujoma, the President of Swapo (South-West Africa People's Organization).

The meeting was convened at the request of the Swapo leader, whose guerrilla forces have been fighting a bush war against the South African Army since 1966 for Namibia's independence. The territory was a German colony until the end of the First World War, but is now occupied by South Africa in defiance of international law.

The Dar es Salaam meeting, which was attended by Zambia, Mozambique, Botswana, Zimbabwe, Kenya and Angola in addition to Tanzania and Swapo, gave its full backing to Mr Nujoma's rejection of the latest Western settlement proposals, dealing with the election of constituent assembly in Namibia, and also to his call for a new international conference to tackle all outstanding issues.

In what was perhaps the most significant passage in their communiqué, the foreign ministers said that they "shared Swapo's deep disenchantment with the current protracted and sterile phased approach to a negotiated solution of the Namibian question as proposed by the (Western) contact group".

This is a reference to the strategy, pursued since last autumn by America, Britain, Canada, France and West Germany, which seeks a settlement by stages, getting agreement first on the broad shape of Namibia's constitution, and then going on to other matters such as the size and deployment of the United Nations force that would be sent to keep the peace in the run-up to pre-independence elections.

While Swapo and its African allies have frequently objected to specific aspects of the West's proposals, they have not previously expressed such strong dislike of the whole negotiating procedure.

Western diplomatic sources, who were still digesting the implications of the latest African statement, today pointed out that the last fall in Geneva in January, 1981 — and that present phased negotiating process was in response to that failure.

The sources expected that the contact group would meet in the course of the next fortnight or so to re-appraise their position.

In the meantime, it has been confirmed that Dr Chester Crocker, the American Assistant Secretary of State for African Affairs, who has been leading the Western Group, will meet senior South African officials in Switzerland next week (not this) to discuss originally reported for confidential talks on the Namibia issue.

## Prisoners of conscience



## Indonesia: Alex Irwan

By Caroline Moorehead

A third-year sociology student at the University of Indonesia is in detention in Jakarta in connexion with a lecture banned by the authorities last September.

Mr Alex Irwan, aged 21, was a member of the student senate of the Social Sciences Faculty which invited the well-known Indonesian writer Pramoedya Ananta Toor to deliver a political prisoner for 14 years) to give a talk. As the meeting was about to take place, a formal notice demanded that it be cancelled. The student senate refused.

Mr Irwan, together with three other students, was subsequently expelled from the university. During October 1981 the four were twice taken into detention and interrogated. The university Rector's expulsion order had stated that he considered that their activities "arranging the distorted discussion" had "jeopardized his authority and breached established campus discipline".

## Peking awaits Bush visit with optimism

From David Bonavia, Peking, May 5

The impending visit to China by Mr George Bush, the American Vice-President, takes place at a time when a measure of cautious optimism has been apparent among American and Chinese officials over their relations.

Despite the serious problems associated with the quarrel between Peking and Washington over Taiwan, some of the tension was taken out of the air last month when China did not reduce the level of diplomatic relations because a President Reagan's sale to Taiwan of military spare parts estimated at \$39m (£21m).

China has continued to call American sales of arms to Taiwan a "time bomb" in relations with the United States. But it is extremely reluctant to reduce relations to charge d'affaires level as a mark of its displeasure. However, it is still not ruled out.

Chinese officials have time and again emphasized that, serious though the dispute over arms sales is, it remains a problem of bilateral relations which is capable of solution.

Mr Bush, a former United States envoy to Peking, failed in 1980 when he came on a special mission to explain the future Reagan Administration's stance over Taiwan, and was rather ignominiously dismissed by the Peking White House seems to have become somewhat more aware of the strength of Chinese feelings on this matter, and has apparently shelved the idea of selling certain advanced new military aircraft to Taiwan.

Mr Bush's current mission is cosmetically arranged to avoid the impression that he is coming to Canossa, falling as it does after other visits he has been making in the Pacific region.

Even if he makes no substantial progress in his talks here, he may be able to persuade America's allies that the situation is well in hand. Japan and the Nato countries have been urging the Americans to remove this logjam in their relations with China, even though those countries could profit to some extent if Sino-American trade were affected.

## Guerrilla dies



Rome — Giorgio Vale, one of Italy's most-wanted right wing urban guerrillas, died in hospital after being shot during a police raid on his Rome hideout. Signor Vale, aged 21, was suspected of being involved in a string of killings and the Bologna station bombing which killed 85 people.

Mr Vale was a tough and acerbic negotiator. He was known as a tough and acerbic negotiator.

Mr Han Nianlong, China's veteran Deputy Foreign Minister, has been removed in the latest stage of the Government reshuffle aimed at trimming the country's sprawling bureaucracy (Reuters reports).

According to the New China news agency, Mr Han, who held the post since 1964, had been replaced a senior Deputy Foreign Minister by Mr Wu Xueqian, until now deputy director of the Communist Party's International Liaison Department.

## Dutch journalists were ambushed, guerrilla says

The Hague, May 5 — A guerrilla eyewitness claims that the four Dutch television journalists killed by Salvadoran Government troops in March were ambushed, and not killed accidentally in a cross-fire, as Salvadoran officials maintain.

The guerrilla's version of the shooting appeared today in the weekly newsmagazine De Tijd, and his account was confirmed by Mr Jan Willem Bertens, a Dutch foreign ministry spokesman who questioned him.

Identified only as Martin, the guerrilla arrived earlier this week in the Netherlands to take part in the Dutch Government's investigation of the killings of the television team on March 1.

Martin was accompanied by Señor Salvador Samoyá, who holds the position of Foreign Minister in the Farabundo Martí Liberation Front, which is fighting to overthrow the Salvadoran Government.

## Turks demand action on death of consul

Ankara, May 5 — The Turkish Government summoned Mr Robert Strauss-Hupe, the American Ambassador, and demanded immediate measures to apprehend the killers of the Turkish honorary consul general for New England.

Mr Orhan Gunduz was shot dead as he sat at the wheel of his car in Somerville, Massachusetts, on Tuesday night by two men posing as joggers. An Armenian group claimed responsibility.

Mr Gunduz was the second of three Turkish officials to be killed in the United States this year. UPI

## Zimbabwe border blast

From Stephen Taylor, Harare, May 5

A series of explosions in the town of Beit Bridge in South Matabeleland, on Zimbabwe's border with South Africa, damaged railway, electricity and water installations, the police confirmed.

The damage to a water tank, a pylon and a stretch of railway line was slight and the supply of electricity to the town was not affected.

Officials did not comment on who was responsible, but the area is one in which dissidents from one of the country's former guerrilla armies have been active.

Police have also disclosed that one member of a gang was seriously wounded and two others captured in a shoot-out south of Bulawayo on Monday. The gang's presence at a Kraal in the rural area about 25 miles south of the city had been reported to the army.







# TEXAS

"Think of Texas as a country". Texans often tell strangers. The advice is superfluous; there is no other way to think of it. Texas is bigger than any European country except the USSR; the whole United Kingdom would fit into it almost three times; it stretches halfway from the Mexican to the Canadian border, and a third of the distance from the Atlantic to the Pacific. It is 245 times as big as Rhode Island, the smallest of the 50 states.

## Where legend lives in the good daily life

Everything in Texas is big, in fact and legend, until the two are indistinguishable. One discovers that one governor, Mr. Richard B. Hubbard, weighed more than 400 pounds. Why not? It's Texas. When I lived there, a paid obituary in a cattle journal announced the death of Mr. Brankala, a bull of more than 2,000 lbs, a cross between an Angus and a Brahman which had left 3,000 ampules of its semen. By any Texan standard, it did not seem prodigious.

Texans had been renowned and disliked for boasting of their bigness, until one of the best known writers among them said: "Texans should learn silence". But this must be understood of Texas: the closeness of legend to fact, and of fact to legend, is striking and telling. The popular concept of the Texan, as one Texan historian says, still has vitality and meaning in daily life. In spite of the relentless pressures of national integration and homogenization, Texans are still regarded by themselves and others as people with a difference.

Texans even now talk of the United States as if it were a separate nation to which Texas is joined only by a treaty of convenience. They have some justification in both history and law. Texas joined the United States very much on its own terms. When it was admitted to the Union, it was given the right, if it should ever wish to do so in the future, to divide itself into more than one state. By turning themselves into five states, each the size of New

York, Texas could have 10 instead of two United States senators. Of more immediate importance is that the control of its public lands is much more in its own hands and not those of Washington than in the case of other states. This has encouraged the obsessive passion for land speculation that has been a persistent feature of Texan life. Given the size of the land and the scale of much of the ranching and farming, this speculation had always been the root of both the fact and the legend of the Texan's easy fortunes. The get-rich-quick Texan was a legend long before the oil gusher.

The discovery of the oil only magnified the speculative possibilities in land which was already rich in timber and crops and cattle. That it made huge fortunes overnight for so many people was again not a new phenomenon in Texan life. Even before Spindletop blew its black gold out of the ground, the land itself had made the Texan of fact and legend: the confident and free-swinging entrepreneur.

Wealth is not regarded in Texas as a commodity to conserve. The Texan does not think of himself merely as a custodian. As an individual, he used it for a good and extravagant life. (When a Texan talks of the good life, as he is apt to do, one can see and touch the things which make it good.) As a businessman, he uses it to make yet more by calculated risks. The millionaires who import snow from the Rockies for their parties indulge in no less

expansive schemes in their businesses.

In a state whose people live more by plunder than any comparable number of people anywhere else in the modern world, it would be an invitation only to disappointment and even to cynicism to expect either its political or its social life to be virtuous. A Texan wrote to his mother in 1836 as a Texan might still write: "Mother, I am afraid the way from Texas to heaven has never been blazed out."

Texans do not only plunder their own land. To them it is part of their treaty rights to plunder the rest of the United States. They plundered the federal government during the New Deal more than any other state, and they show their gratitude: driving from Houston to San Antonio you pass through a town appropriately called New Deal. But it is now dying, bypassed by the expressway.

For there is more now, elsewhere, for the Texans to plunder. For several years now they have plundered the U.S. armed services, using the political clout that was perfected by Sam Rayburn and Lyndon Johnson, to bring army and air force bases to the state, and also huge and ever-multiplying contracts for its old and new but ever-expanding industries. The U.S. armed services, Texans are not unwilling to boast, is one of their cash crops.

It would be disillusioning also to go to Texas and expect it to be non-violent. A visitor who noticed in the early days that its natural

death rate was low in comparison with other states, said that Texans made up for it by patriotically practising mortal combat with each other so that Texas would lead the nation even in this. Texans are not now so quick to draw, yet the violent settlement of disputes is common.

The Texas Rangers now ride in cars, sometimes switching to boats and aircraft, but always with a saddle in the boot.

Yet with it all, these people with a difference are among the most attractive in America, and the difference counts. The long years of bloody encounters with the Mexicans, a civilized people, left a different mark than the encounters of other Americans with the Indians. They are also the only state which was an independent nation before it entered the Union. The ten years of the Republic of Texas still give them a unique identity.

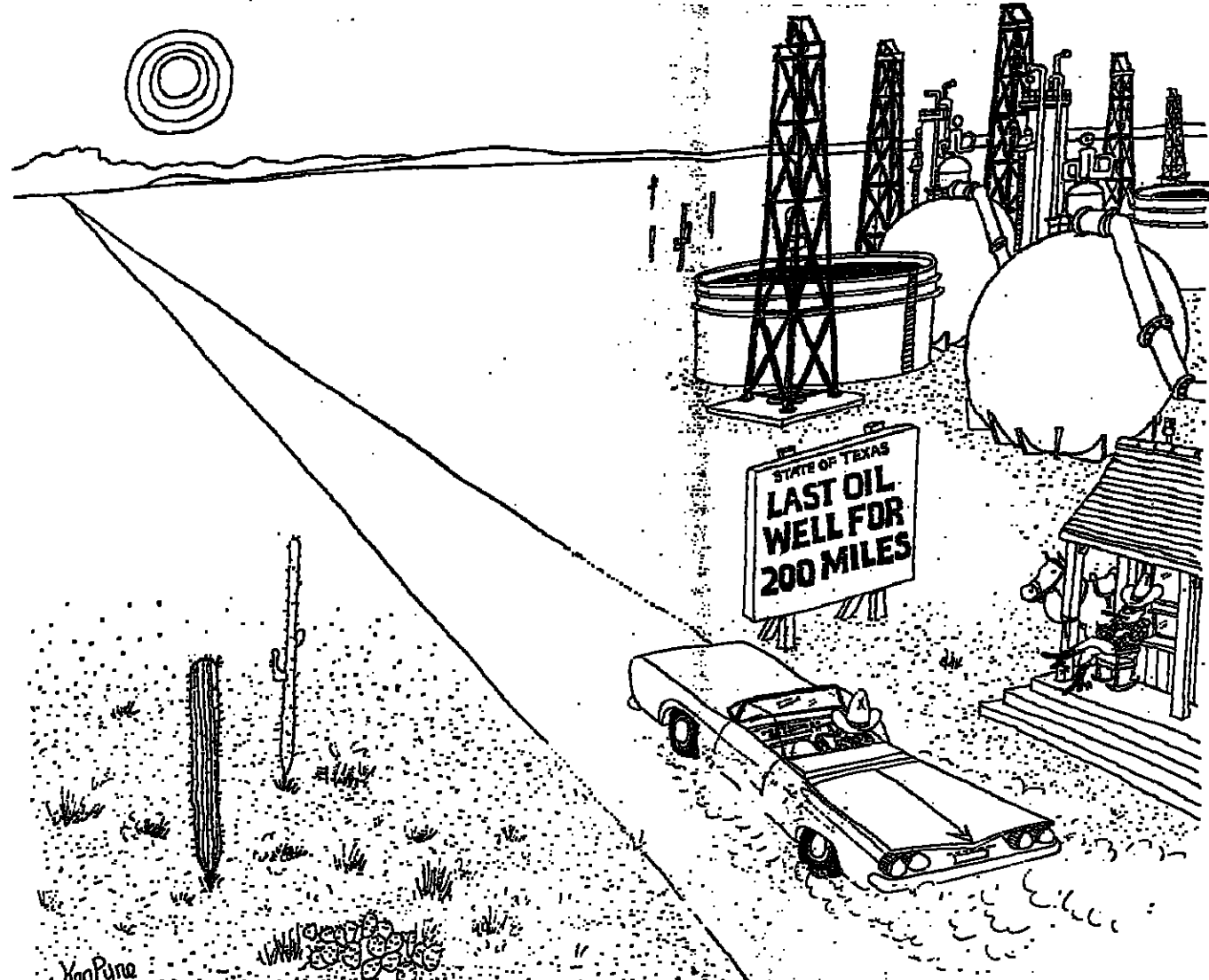
For these and other reasons, as one Texan historian has recently said, they are frontiersmen still, but adjusted to the modern world in a unique way. One can meet no real Texans without finding them, as he says, adventurous, mobile, aggressive and adaptive; strongly individualistic and yet egalitarian; optimistic and utilitarian; volatile and chauvinistic, which spills into provincialism and race-arrogance.

But the vitality is irresistible, and with the vitality is the generosity and so uncloying. For in them is the spaciousness of their land. It once drove the whole length of it, from north to south, starting on ice-packed roads, arriving at last on subtropical gulf. There is the timber, all round are the great plains, in the middle is the hill country, a gently rolling land of goat ranches. Driving as the sun set on evening, white-tailed deer grazing everywhere, we suddenly found ourselves in the middle of a herd of buffalo.

In the Mercedes-Benz convertible with the top down, the south fork of the Guadalupe, clean and sparkling, flowing softly at the foot of a hill, there was only one thing to do. I burst into song with such tune as my voice can manage: "Give me a home where the buffalo roam; and the deer and the antelope play".

Everyone has their own Texas. Mine is there but also in the fading petrochemical industry on the ship channel. Why have to choose in a state which is a country?

Henry Fairlie



## As the gushers dry, what now?

In Texas car bumper stickers still exhort passers-by to get an oil well, but the energy euphoria of the last couple of years is ebbing away.

The rapid decline of the oil price, reversing the sharp rise in the United States after President Reagan lifted regulations, high interest rates and the recession in the economy are all taking their toll.

Major groups may still be spending more — Exxon's domestic capital and exploration spending this year is expected to rise 25 per cent to \$6,000m — but for many independents and oil service companies the boom, while not going into a bust, is slackening off.

As Mr George Mitchell, of Mitchell Energy and Development Corporation, one of the larger, very successful independent groups put it: "You're going to see a pretty tough year, this year."

His company last year had an energy budget of \$450m. This year that has been cut to \$300m and may be cut again, depending what happens to interest rates. From 360 wells drilled in the continental United States last

year, Mitchell Energy will drill between 250 and 275 during 1982.

Refining — 25 per cent of the nation's capacity is in the Houston and Gulf area — is in the doldrums and the petrochemical industry is depressed.

No one believes that the search for oil both worldwide and in the United States is going to tail off permanently.

"It's going to continue to grow through the rest of this century," said Mr Bill Kistler, president of the Drilling Tools and Equipment group of Hughes Tool, the Houston-based rig equipment manufacturer. "We are going to have to continue to rely on oil and gas as the major energy source."

Texas is really where the modern oil industry started, with the first discoveries of the giant fields that revolutionized its development.

Rotary drilling developed in the East Texas fields and as the major United States companies increased their exploration and production overseas in the 1950s and 1960s Houston in particular developed as the international oil capital. "More than any other town in the world," Mr Kistler said, "Houston is the centre of the oil business."

Texas itself has since gone into a long-term decline as an oil producing region. Despite increased drilling over the last couple of years, production of oil and gas has continued to drop and reserves, if nothing new were found, would be exhausted in less than eight years.

Nevertheless oil price deregulation, and the spurt in prices following the Iranian crisis, have made many marginal prospects profitable. Many new operators

have come into the area. Well over half of the most active independents in Houston were not there 15 years ago and between 40 and 45 per cent of them were not there ten years ago.

These independents do not confine their activities to Texas. Sanders Oil and Gas, a small independent in Dallas, has acreage in the Abo trend in Chaves county, New Mexico. This is a "tight gas" area, which means that because the structures need to be fractured to gain production, a higher price can be obtained under government control — gas is still regulated — than from simpler structures. Sanders will actually be drilling more wells this year than last. Last year it could not get the acreage it wanted at the right price. Competition is fierce. Mr Tad Sanders, a vice president, reckoned that there were three to four times the number of operators interested in prospects than there were five years ago.

There are signs, however, that interest is flagging. Investment is unlikely to flow into speculative drilling ventures this year, the way it

Continued on facing page

## THE FINANCIAL STATE OF TEXAS

Texas is a step ahead. And we're right in step with Texas.

The Texas economy is unique and diverse in its composition. A rare combination of industries has served to keep the state well above national averages in terms of both production output and employment growth. It has also kept the regional economy relatively stable, even in times of national economic unrest.

The state of prosperity. Energy in Texas is a multi-faceted industry. With respect to petroleum, Texas leads the nation in reserves of natural gas and natural gas liquids. And it holds 28.2% of the U.S. total of crude oil reserves.

Texas is also a major agricultural center, with 138.4 million acres of farms and ranches. Although Texas is known best as the nation's largest cattle producer, crops have played an increasingly important role, contributing to roughly half of the total value of Texas agricultural output.

Manufacturing in Texas was once heavily dependent on petroleum production and refining. But in recent years,

the field has expanded into computers, transportation equipment, and aerospace and communications products. A favorable business climate has encouraged this expansion and has attracted both foreign and domestic investment to the state.

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TEXAS

## Banking: rapid growth despite a legal straitjacket

In little more than a decade banking in Texas has changed out of all recognition. Although Houston and Dallas are not, and probably never will be, financial centres of the type and scale seen in New York, London or Hong Kong, the area has quickly established itself as a place where it is essential for international banks to be.

Growth has been very fast indeed. Total bank deposits in Texas increased by 212 per cent to a total of \$84,200m between 1970 and the end of 1981 compared with an increase nationwide of 154 per cent to September last year.

Coupled with this growth has been a sharp rise in competition as foreign banks and domestic banks outside Texas have set up operations. So far Houston has taken the brunt of the expansion following the energy led growth of the city. There are now 65 foreign banks operating in some way in Houston compared with only 15 in 1976. But Dallas is seeing the impact too with five foreign banks and 18 non-Texas US banks competing for business.

Texas has very restrictive banking laws. It operates under what is known as a unit banking system. This outlaws branch banking and means that each bank must be incorporated separately with its own board of directors.

Until 1970 the Texas banks did very little international business at all, but then First National Bank, two of the four largest Texas banks, set up offices in London. Then a change in the Texas banking laws allowed the forming of holding companies. The big acquisition, Republic, for example, has more than 30 banks in its group and InterFirst, which includes the National Bank in Dallas, bank holding companies now own about 350 banks and control almost 55 per cent of the deposits in the state.

The Texas banks were able to expand with an economy that has seen a 43.5 per cent increase in employment between 1970 and 1981, an explosion of new construction and a boom during the last couple of years when the rest of the US stagnated. This expansion has allowed them to take on increased international business and to compete with the influx of foreign and US domestic banks.

A change in the US federal banking laws had by 1980 allowed non-Texas banks to conduct international loan business from offices in the state. Earlier they had to rely on representative offices, with the business placed with their headquarters. New banks have moved in rapidly

and are aggressively looking for new accounts. "Local businessmen would much rather deal with their local bank or what they perceive to be their local bank," said Mr Harry Folk, who runs the Manufacturers Hanover operation set up last July.

The competition is greatest with large corporation and international business, but it is also growing in the middle market. "If you have professional expertise in a specialized area of banking you can compete quite successfully," said Mr Joe Musolino, president of Republic Bank in Dallas.

Republic formed the International Energy Bank in London with the Royal Bank of Scotland (which was one of the first foreign banks to set up in Texas), Barclays and others, to take on North Sea lending and recently closed a \$1,000m oil loan with Barclays and 21 other banks. The intention is not to compete head on with the banks like the Nations Westminster, Chase Manhattan or Fuji Bank but to specialise and select. It is in the middle market where the fight may be getting tougher.

Manufacturers Hanover is looking for business in this area and so is another newcomer, Standard Chartered, which opened a representative office in Houston in May 1979 and an "Edge Act" bank conducting

foreign business in January 1981. It intends to open another in Dallas soon.

Competition is fierce both for Texas banks and those which come from outside the State. The overseas banks have an initial problem in persuading a prospective client why he should deal with a foreign organization. "It is one of the biggest difficulties you have when knocking on their door," said Mr John Hekins, who heads Standard Chartered in Houston.

For the Texas banks the impact of the foreigners has meant shaving interest rates. "With strong loan demand we have all to be able to show good profits but it has had an effect and has demanded the greatest efficiency possible," said Mr Robert Green, chairman of Cullen's Bank in Houston and the present chairman of the Texas Bankers' Association.

The Cullen/Frost group's earnings rose by 30 per cent last year. Republic's were up by a third, but the Texas economy is not proving totally immune from recession and growth could well slow this year. Further ahead is the effect of a deregulation of the American banking system. Most United States bankers expect interstate banking to come, the only question is when.

Nicholas Hirst

## How one city excited the world

In the minds of many people around the world the words "Houston" and "Mission Control" are synonymous. The city of Houston and the National Aeronautics and Space Administration's Lyndon B. Johnson Space Centre have been identified as a single entity almost since the space centre site was chosen in 1961 and their special relationship began.

The rest of the world shared in that sense of unity of identity when the first words spoken by men standing on the surface of the moon were radioed back to earth, beginning: "Houston, Tranquility Base here — the Eagle has landed." Since that July day in 1969, the Johnson Space Centre has given the world the vision of Mercury, Apollo and Gemini space programmes, and now has responsibility for the Space Shuttle programme. "We excited the world," said Dr Christopher Kraft, the director of the Johnson Space Centre, who made his first trip to Houston when the 1,600-acre Nasa site was still a cow pasture.

"At the time we moved here the city was in the throes of deciding whether rapid development was the answer or not. The atmosphere surrounding our programme contributed to the futuristic outlook of this particular area of the country and added enormous impetus to the development of Houston."

The Johnson Space Centre was officially opened in September 1963 with a mandate to design, develop and test spacecraft and associated systems for manned flight; to select and train astronauts; to plan and conduct manned

missions; and to participate in medical, engineering and scientific experiments to help man understand and improve his environment. Situated 25 miles southeast of central Houston, the Nasa facility and its staff rapidly became a major influence on the developing city, lending a charisma to the metropolitan area. "Our greatest contribution has been to education in the area," Dr Kraft said. "Because we are an educated group of people we helped develop the schools and the outlook of the universities, not just in research but in a wide-ranging area of programmes."

"Downtown Houston was influenced by the spirit of Nasa and used the space programme as a flag to establish its own identity." Approximately 3,500 engineers, technicians, scientists, secretaries, mathematicians, managers, clerks, photographers, writers, instructors, administrators and astronauts are employed at the Johnson Space Centre and another 7,500 people work in the region for support contractors.

The combined staff brings in between \$250m and \$300m a year in wages and an extra \$50m to \$100m in additional revenue. Much of the money is spent in the immediate vicinity of Nasa's establish-

ment and new motels, shopping plazas, homes and schools are evident. During the next 10 years the bulk of the management of the Space Shuttle programmes will be shifted to the Kennedy Space Centre at Cape Canaveral in Florida, but Nasa will still retain a major presence in Houston. "Currently we plan to have a fleet of four Shuttles operational by the end of the decade with a further four built for Nasa by the turn of the century," said Dr Kraft.

"Columbia will be joined by Challenger, Discovery and Atlantis by 1990 and the United States Air Force will have its own shuttle in operation also. Air Force personnel will join us here at the Johnson Space Centre for Columbia's fourth mission to monitor our operation and manage the Department of Defence payload the shuttle will be carrying."

Dr Kraft admitted that some Nasa employees were concerned at the increased security measures the newcomers were insisting upon at the Space Centre. "We have been used to operating totally openly here but the Air Force people want to start installing locks and tightening things up generally. Nasa is a civilian agency and by charter is dedicated to the peaceful development of

space for the benefit of all mankind. There will be some restrictions in the future but not enough to change the nature of Nasa."

Dr Kraft is a strong supporter of Nasa and its charter. He has fought numerous attempts to wrest control of the organization from its civilian directorship and place it on a more political and/or military footing.

"Nasa has been asked to do a lot of things that are really beyond its charter," he said. "We have been asked to solve the energy problem, to devote time to the environmental problem and look at the other massive problems confronting the human race. But we have a charter and that charter is space, any divergence from that goal would dilute the agency and take away its altruism and ideals."

In the future the Johnson Space Centre will be the home of the technical arm of Nasa, a role which Dr Kraft believes will continue to challenge its employees.

Dr Kraft predicts that in 20 years the Johnson Space Centre will have increased the number of its staff by about one third with Nasa activities spread equally at Cape Canaveral and Vandenberg Air Force Base in California. "Our efforts will be assisted by strong participation from private industry. The character of Nasa may change superficially but believe that its essential nature will remain the same and will continue to contribute toward the development of Houston and the United States," he said.

Piers Akerman

## Dallas, where business is business

Hertz Rent-a-Car at the Love Field airport of Love Field displays a reservation card for a Mr J. R. Ewing. It is a nice touch, but Dallas the city looks much less glossy, in real life than it does in the opening title sequences of the television show.

Cranes spoil the skyline. The television picture when compared with the real thing makes Dallas frozen in unreal time. The real city has constant road construction and the building of a fast-growing community. There are oil men here and, as in the television programme, many of them own ranches. But unlike Houston, Dallas does not come across primar-

ily as an oil city. The catchphrase heard at promotional conferences, in bars, and in company boardrooms is that the business of Dallas is business.

Put simply, Dallas is more of a white collar town than Houston; its industry is lighter, more diverse, and it likes to think of itself as a financial, banking and insurance centre.

Houston was in fact founded before Dallas, but Dallas gives the impression of being the older community, more established, more culturally aware. Houstonians would say "less exciting". Maria Callas opened the Opera in Dallas in 1957 and the Dallas

Theatre was designed by Frank Lloyd Wright. The raucousness of Houston is missing; so, Dallas would claim, are Houston's problems.

Dallas has been growing quickly, and in fact, with more than three million people, the Dallas-Fort Worth area combined is larger than the comparable Houston metropolitan area, but its rate of growth has not been quite so fast. "Dallas has got better understanding of its position and has better control," said Mr Terry Fritz, full-time President of the Dallas Chamber of Commerce. Nevertheless last year Dallas put in more new office space than Houston or even Los Angeles.

The Chamber hopes that within the next 10 years more American companies will have their corporate headquarters in Dallas than in any other American city. At the moment it lies third behind Houston and Chicago.

Last year the Chamber had an inquiry every three hours from a United States based

company to relocate or expand in Dallas. Now it is one every two and a half hours. Foreign banks which have rushed to open offices in Houston as the energy and port business expanded are opening them in Dallas too.

But Dallas is facing problems. It has a high rate of neighbourhood robberies. Unemployment in South Dallas, where there is a large black population, is running at 13 per cent, compared with less than 5 per cent in the city as a whole.

It is also likely that while the recession may touch Dallas later and more quietly than it has elsewhere, its effects will be felt this year.

But the city is proud of its planning record. This laid for a reservoir in 1940 are just being put into effect — construction work will begin next year and work is already under way to add another international airport to relieve the expected heavy traffic at Dallas-Fort Worth by the year 2000.

N.H.

### Oil boom over

Continued from facing page did in 1981. Operators are looking more askance at prospects in the popular Austin chalk region than they were. This is a faulted area which needs expensive drilling techniques with up to \$1m being spent for a single well.

Wells in this area that looked highly profitable at \$38 a barrel and more look very marginal with the price falling below \$30.

The stock market has taken an increasingly jaundiced view of the oil service companies, which reported sharply increased profits last year. For some, however, the decline in demand for rigs has come as a welcome relief. Such was the interest last year that many old, inefficient rigs were brought into service and costs soared. Now costs are being trimmed, and rig productivity

is rising. Last year Hughes Tool found that demand for rig equipment was outstripping its capacity to produce.

Texas, with Houston as its oil capital, has built up expertise that is saleable worldwide. Mr Ed Hess, senior vice-president of Exxon USA, said in testimony to the Texas Railroad Commission: "Summarizing the long term outlook, we believe the world's energy future is basically unchanged. Alternative sources of energy will be expensive and lead times will be long; thus we will continue to rely on conventional energy sources throughout the century."

Texas, with its concentration of oil and gas technology, will continue to be in the forefront of the search for new finds. But with the present glut of supplies, the immediate future is for slower growth.

N.H.

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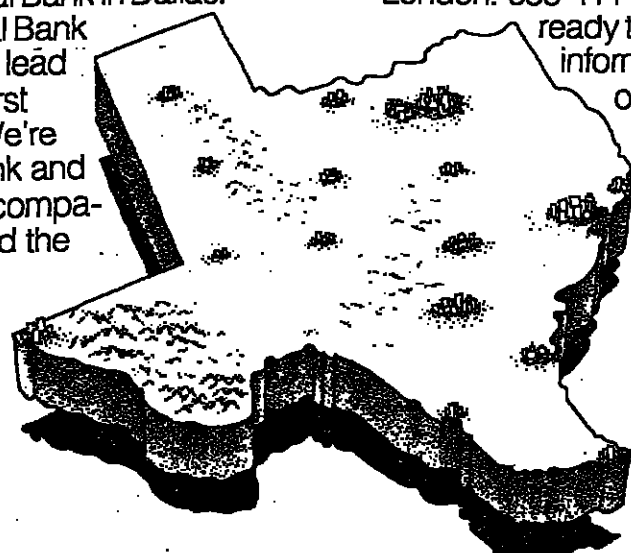
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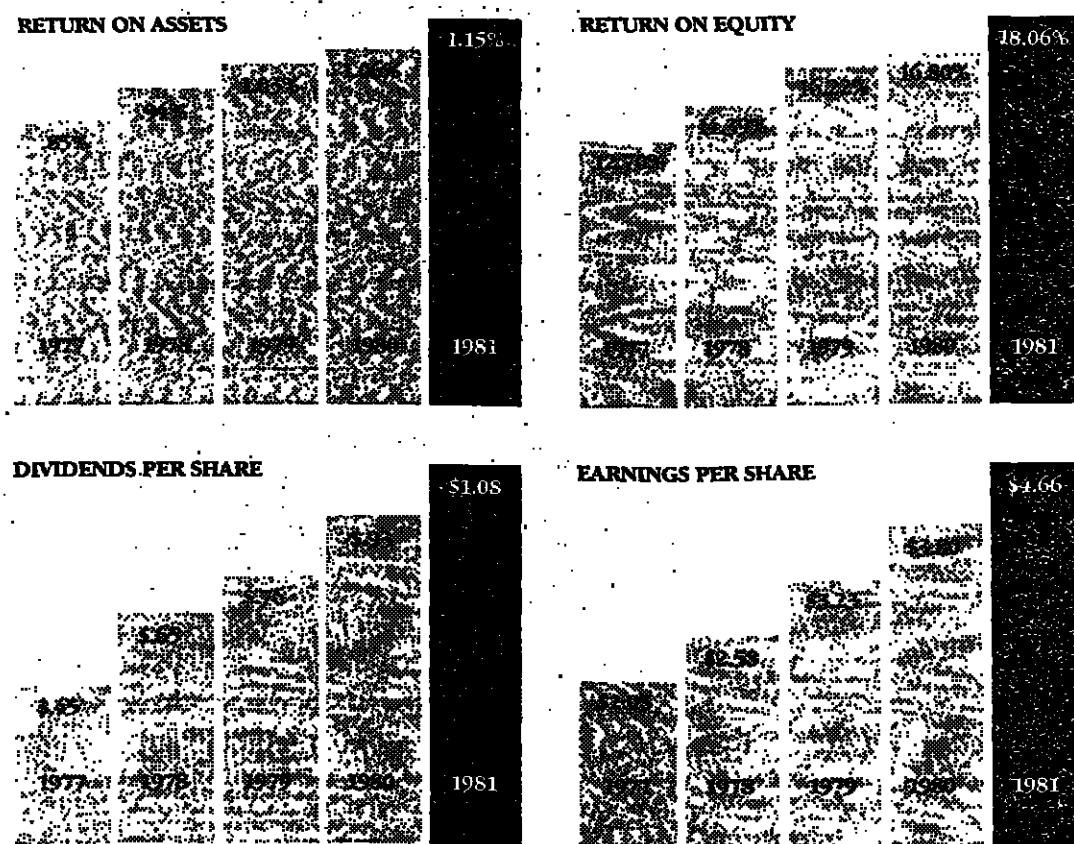


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Aleksai Nikitin and Vladimir Klebanov (insets) appealed in vain to the National Union of Mineworkers for support; Joe Gormley (left) accepted the Soviet explanation, will Arthur Scargill try to help the victims?

## Will Arthur Scargill face the truth that Joe Gormley dodged?

When I gave up writing my *Times* column a year ago, I had one item of unfinished business that now, though it is still unfinished, obliges me to seek the newspaper's space and readers' attention today. On April 15, 1981, I told the story of two Soviet coalminers, Mr Vladimir Klebanov and Mr Aleksai Nikitin, who had done two things which, though in theory permitted in Soviet law, are in practice prohibited in that country under the most fearsome penalties.

First, they had drawn attention to the scandalous neglect of safety standards in Soviet mines (a neglect which would be a serious criminal offence in this country, where any miner would be rightly commended, and would receive the full support of the National Union of Mineworkers for disclosing details of it) and to the widespread corruption in the administration of the Soviet mining industry.

Second, and in the eyes of the Soviet authorities far worse, they had attempted to form rudimentary trade unions, in a country where no such organizations are permitted.

It should be noted that neither of these two men campaigned for any political change in the Soviet Union; they did not seek to destabilize the overthrow of the Soviet system, nor did they express any wish to introduce any democratic or representative element into the communist dictatorship of their country. They confined themselves entirely to industrial matters concerned with their own trade, and sought only what trade unionists everywhere seek — an improvement in workers' conditions.

Readers will not need to remember my original column to deduce what happened to these two brave men; they were both sentenced to indefinite terms of lunacy, and incarcerated in that peculiarly vile institution, unique to the Soviet Union, the madhouse-for-the-sane.

Both men were examined by genuine Soviet psychiatrists (to be thus distinguished from the KGB's hired quacks who pronounce sane men mad at the bidding of the Soviet rulers); these declared them mentally fit. (It is worth recording the names and faces of the two doctors in question.)

Mr Klebanov was examined by Dr Alexander Voloshanovich who, for calling a sane man sane, was subjected to Soviet persecution and in due course had to emigrate; Mr Nikitin was examined by Dr Anatoly Koryagin who, for the same fidelity to his profession and the truth, is now serving a 12-year sentence, the first seven years of it in a concentration camp.)

Mr Klebanov indirectly, and Mr Nikitin directly, appealed to their miner colleagues in this country for help — for help, that is, in their struggle for the establishment of minimal union rights in a country where no such rights exist.

This is how Mr Nikitin put it: "Recalling the fine traditions of the trade unions — traditions formed in the bitter struggle for workers' rights — we ask the union bodies of Great Britain to give help and support to our newly created group in the USSR as regards the organization of free trade unions."

Also, Mr Nikitin is undoubtedly sane, but he was far too sanguine about the response of the British National Union of Mineworkers. For the NUM sided with the Soviet bosses against the Soviet workers, and publicly washed their hands of their suffering comrades — suffering, I stress, not for crime or even political agitation, but for trying to form a trade union and to improve working conditions, and for nothing else at all.

The NUM washed their hands of their comrades in a statement which for shabbiness and cowardice deserves

**They were both incarcerated in that peculiarly vile institution, unique to the Soviet Union, the madhouse for the sane**

a prominent place in any museum of those qualities. The Soviet official charged with telling lies to the NUM about Mr Klebanov's case was a Mr Efremenko, who told them that Mr Klebanov had injured his head in an accident and was consequently deranged; he also said that he did not know whether Mr Klebanov had been compulsorily sent to a mental hospital or had entered voluntarily.

Though the NUM leaders must have known what Efremenko's job was, and must have known that Mr Klebanov had not voluntarily entered his psychiatric

**Bernard Levin returns to some unfinished business: the case of the two persecuted Soviet miners**



prison, and though they had been fully informed about Dr Voloshanovich's report of his examination of Mr Klebanov and therefore knew that Mr Klebanov (and later Mr Nikitin) was in no need of any hospital psychiatric treatment and had been sentenced to it solely for standing up for workers' rights, they announced that they were bound to believe Mr Efremenko.

In a shameful "reply" to my column on the subject, the then head of the NUM, Mr Joe Gormley, took care to evade the central issue of Mr Efremenko's mendacity and to make no mention whatever of the independent psychiatrist's conclusion that Mr Klebanov was in no need of incarceration in even a genuine psychiatric hospital, let alone one of the torture-chambers in which sane Soviet dissidents are kept.

He also took care to evade mentioning in any way the passage in the NUM's statement in which they had declared themselves obliged to believe Mr Efremenko because the latter was Mr Gormley's opposite number, head of the Soviet miners' union as Mr Gormley was head of the British. (I am not making this up; even after the dramatic events in Poland and the lesson they should have taught even to the unteachable, the leaders of the NUM really did publicly pretend, in a statement announcing their abandonment of a Soviet miner to his fate for trying to form a miners' union in the USSR, that what the department of Soviet management got resolutely called a miners'

next gathering of its General Assembly (in Vienna, next year) a resolution, passed overwhelmingly by the Royal College of Psychiatrists, in the following terms:

In view of (a) well documented evidence of the continuing systematic abuse of psychiatry for political purposes in the Soviet Union, since the General Assembly's resolution of September 1977 to "renounce and expunge these practices"; and (b) the failure of the All-Union Society of Neurologists and Psychiatrists to co-operate at all with the WPA's Review Committee on Political Abuse of Psychiatry in its investigation of various complaints by the Royal College of Psychiatrists and other WPA member societies;

This General Assembly resolves that the All-Union Society should now be expelled from the WPA until such time as the All-Union Society can show that the political abuse of psychiatry has been brought to an end.

The other reason is even more directly relevant to the case of Mr Klebanov and Mr Nikitin. Mr Gormley is no

**There is a straw to suggest that the wind in the NUM is blowing in the right direction at last**

longer leader of the NUM. Since his successor, Mr Scargill, is well-known to be considerably further to the left than Mr Gormley it might be thought that he will be even less inclined to help his suffering comrades in the Soviet Union. But this may be a misreading of Mr Scargill, his character and his situation.

Whatever view may be taken of him, no one could deny that his left-wing credentials are impeccable; one of Mr Gormley's problems, which he had in common with many other union leaders who share his moderate political views, was that he was always conscious of the danger of being outflanked on the left, and this is something that Mr Scargill will not have to worry about.

Moreover, and again irrespective of the view taken of him, few will believe that Mr

Scargill, who has declared that the oppressed should be supported in all countries, including communist ones, would ever be reluctant to speak his mind and act upon the speaking. And there is a straw to suggest that the wind in the NUM is blowing in the right direction at last.

In the March issue of its official journal, *The Miner*, there is a remarkable article by Mr Ted Mackay, Area Secretary of the North Wales division. In it Mr Mackay relates the history of Mr Klebanov and Mr Nikitin going into considerable detail and bringing the story right up to date, including horrifying facts about the torture by drugs undergone by both these miners.

Mr Mackay points out that at the NUM's most recent annual conference a resolution was passed, concerning human rights, "which committed the NUM not just to pious words but to active participation".

Well, the "active participation" of the NUM in the case of their two persecuted Soviet comrades has so far been on the side of the persecutors. Perhaps Mr Scargill, who presumably must have read Mr Mackay's article, will now take steps to ensure that the NUM changes sides and throws its weight behind the victims. At any rate he would find it difficult to contest the argument with which Mr Mackay ends his article, and with which I may perhaps be allowed to end mine.

The question remains — is the Soviet miner a genuine respected member of the community, when the price he must pay for insisting on decent standards of safety for his fellow workers is forcible detention in a prison mental hospital, and treatment with neuroleptic drugs? Alexei Nikitin and Vladimir Klebanov were incarcerated for no more than what we in the NUM do almost every day of our working lives. But they do have a hope, and a trust — a hope that the NUM will continue its intercession on their behalf, and trust that the composition of their fellow miners will not allow their heartfelt cries for justice and solidarity to be ignored.

I conclude with what I said at the Annual Conference of the NUM, criteria applied in Britain for "slandering the system" then every NUM official would be in a psychiatric hospital.

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Ronald Butt

## The difference the Sheffield has made

There are for the moment no other politics in Britain than those of the Falklands conflict. The future of the Government and three political parties hangs on it, and even the outcome of today's local elections may turn on it.

Externally, the turmoil has serious implications for our relationship both with the United States and our European allies. Both have acknowledged the justice of our cause. Yet the sinking of the Argentine cruiser *Belgrano* had the immediate effect of weakening the support in Europe for our military action because of the large number of lives that were at first feared lost.

We were thus brought firmly up against the paradox that the more successful we were in naval and military terms, the less popular our cause was likely to become internationally, given that military strength from now on cannot be bloodless. It is doubtful whether our own loss of the *Sheffield* which followed swiftly will swing international feeling back towards us again, whatever its impact on political and public feeling at home.

To the Government, the loss of the *Sheffield* has only proved what Ministers have realized from the start — that the naval expedition to the Falklands, in the age of the modern missile, could not be without significant risk. For the rest of the world, however, the sinking of the *Sheffield* is more likely to be seen as further justification of the view that the level of force and of losses now in prospect is "disproportionate", the word increasingly being deployed from Labour's front-bench.

These international repercussions will inevitably condition political opinion at home where support for the conflict has already sharpened the division between the Conservative and Labour parties, and is likely to polarize opinion in such a manner as to squeeze the Social Democratic and Liberal Alliance at precisely the moment when they were hoping to take off in the local elections as a prelude to becoming a third force in national politics with a chance of a decisive position in the next parliament.

Since the Argentine seizure of the Falklands the Social Democrats, under the leadership of Dr David Owen, have given honest, stalwart and impressive support to the task force and to its subsequent use.

Mrs Thatcher and her colleagues lose no opportunity of reminding the House of Commons that the sanctioned sending of the task force — by which she means that all parties gave their approval.

That is correct, so far as it refers to party leaderships. But from the start a significant Labour minority has disliked the idea that a few were opposed to the expedition outright. Many more initially luxuriated in patriotic indignation against the Argentine, and against the errors of British policy that led to the invasion, but they conveniently shut their eyes to the probability that the task force would have to be used and to their own likely attitude when it was.

The more the military risks have become clear, the more reluctant many Labour MPs have become to support the Government in exerting further military pressure. The mood of Mr Foot himself has fluctuated between the implication that further military action before new diplomatic initiatives, and the broader

position that while the task force is rightly reinforcing diplomacy, that diplomacy itself should be quickened.

In recent days (helped by the Government's own increased willingness to talk through the Secretary-General of the UN) the Labour front bench has become cautious, and in the House of Commons yesterday after the sinking of the *Sheffield*, Mr Healey and Mr Eym were doing their utmost to maintain bipartisanship. Even the left was pretty quiet, realising that in the aftermath of this tragedy they would offend the mood of the country if they seemed to strike against national unity. Yet beneath the surface is an increasing wish in ranks of the Labour Party to back away from military conflict.

The Government itself also wants to negotiate and does not regard the long-term sovereignty of the islands as sacrosanct, provided the islanders consent to whatever is agreed. But it demands that negotiations should start from a position that recognizes that aggression does not succeed, and acknowledges the rule of law. This, and how to find an acceptable basis for starting to talk, is the essential problem.

The next few days will be fraught with danger and difficulty, both militarily and politically. If a way towards negotiations is not found, the Labour Party will not be contained in its posture of support for the Falklands expedition which its leaders have devised.

Mr Healey is already showing signs of shifting with his reiterated emphasis on "proportionate" force and on negotiations. Mr Foot has throughout been acting against his own instincts in supporting the threat of military action. For a few however, notably for Mr Peter Shore, there might be a real problem if Labour is openly transformed by the stress of events from the peace party to the war party.

Politics are thus moving towards polarization over the Falklands in parliament and also probably in the country. Some of the consequences may be measurable in today's local elections. All the signs suggest that public opinion has steadily rallied to the Government for its handling of the crisis and against Labour for its tergiversations.

In some places it is true; the SDP has been the support for the Government and attract the votes of people who dislike Labour's present posture but do not want to vote Tory. On the other hand, in its build-up before the Falklands crisis, the SDP had increasingly seemed to threaten the Tories.

Tories more than Labour are likely to change this. Formerly disgruntled Tories are moving back to Mr Thatcher, though it is not impossible that at the last minute other vote movements against the government could result from the loss of the *Sheffield*.

The crisis is further proof that the SDP ought to aim principally at the old, patriotic, right-wing Labour constituency in the country rather than at temporary ex-Tory recruits. More generally the sign is that the political future is being squeezed and that public opinion is rallying to the poles of Conservative and Labour opinion. But that guarantees nothing for any party. The political future is as fluid and uncertain as the military and diplomatic events on which it now hangs.

### The luck of Shiny Sheff



That the luck of HMS *Sheffield* was so swiftly and disastrously expunged in the south Atlantic is the more horrifying in view of the luck which proverbially attended her predecessor, the cruiser "Shiny Sheff" or "Old Shiner". In the Second World War she won 12 battle honours, and her crew swore she bore a charmed life.

In one of many incidents, while she was with Force H hunting the Bismarck off Greenland, a Swordfish pilot came out of low cloud to see her rakish grey lines plunging through the sea dead ahead. Mistakenly the young observer loosed his torpedoes, but the *Sheffield's* officer of the watch was wide awake, and ordered emergency evasive action. That still worked in those days.

The torpedoes passed safely astern, and the cruiser steamed on through a career that included the explosion of a floating mine which blew a hole 40 feet by 20 feet in the port quarter, yet did not stop the ship reaching the repair base 1,000 miles away, surviving monstrous storms in the Arctic, and a head-on collision with another ship off North Africa which caused providentially few casualties.

### Powerful words

When the *Sheffield* that was sunk entered service in 1975 Navy News announced that though she

was only half the size of her predecessor her scientific armament made her "potentially more effective than a Second World War battleship".

Her electronic equipment could outmatch any engagement, the official publication boasted, and her Sea Dart missile-defence system had greater capability than any in the world. "Performance, power and punch put HMS *Sheffield* among the leaders of the world's fighting ships", the article said. It is a most unhappy epitaph.

### A prize too late

From a more optimistic stage in the Falklands crisis comes this sea-salts' limerick composed by officers of HMS *Sheffield* and entered by them on behalf of their commanding officer, Captain Sam Salt, in April's Harris Tweed Limerick competition:

"On the Falklands the Argentines sat,  
Said Maggie, 'We cannot have that'.  
When the fleet hove in sight,  
They were all put to flight  
By Sam Salt in his Harris Tweed hat!"

The limerick was signed by three of the ship's senior officers.

They added that Captain Salt's hat size was 6½ "and if by good fortune this should be judged a winning entry, it would be appreciated if the hat could be dispatched as soon as possible so that the intentions expressed in the limerick may be carried out."

The entry was judged a winner. The hat was sent on Tuesday, only hours before *Sheffield* was struck.

## THE TIMES DIARY



Our unemployed have missed a bike they might have jumped on. A young unemployed blacksmith in Christiana, Denmark, has built up a thriving business within a year, reproducing the Dursley-Pedersen bicycles famous in Britain before the First World War. The Dursley-Pedersen were the invention of a Dane, Mikael Pedersen, but manufactured by K.

A. Lister and Co. at Dursley in Gloucestershire. Their advantages over contemporary "safety" machines were lightness and comfort, enhanced by a saddle which took the form of a string and canvas hammock slung between the front and back forks.

Few of the bikes sold in Denmark, where Pedersen died a pauper in an old people's home in 1929, but the Danish output of reproductions is already up to 300 a year.

### Lucky call

Today I offer a little more colour from my trip to Togo. A visit to the Ghanaian border revealed that the local population pour into Togo to escape their own troubled economy, shopping for everything from soap to cigarettes in a sprawling street market established for their benefit. The market's money changers will also exchange almost any currency, usually at favourable rates.

A mosque can be a primitive affair, made of breeze blocks and corrugated iron, but a colleague who tried to pray in it found there was nothing terry-built about the mullah's convictions and got a ferocious lecture on religious propriety.

In the fetish market hundreds of dead birds, lizards and snakes lie warmly festering in the sun, alongside tortoise shells, sheep's skulls and piles of less-identifiable bones. PHS was

appropriately offered a telephone fetish, a piece of wood with some resemblance to the instrument, which the stallholder assured me would ensure good luck on my journey if I whispered into it. The devil-may-care attitudes of the local taxi-drivers persuaded me to do just that.

### Parting shot

The Victoria and Albert Museum is wondering which Hindu god it has offended. Shortly after the Indian Heritage exhibition of the Mughal art opened, it was visited by an Indian religious fanatic carrying a flaming censor who declared that the show was sacrilegiously displaying religious objects in a secular setting.

When he was ejected he told the attendant: "I put a curse on your chief. I curse the exhibition." Within days the V & A's chief warden had sprained his ankle,

and on Tuesday a visitor to the exhibition fell through the floor. Though she was not hurt, the show had to be temporarily closed.

### Star-struck

Gaston Thorn, president of the European Commission, has the stars on his side in falling off tongue-in-cheek attacks on members of the European Parliament over the horoscope he commissioned last November from the French astrologist, Elizabeth Teissier du Cros.

He adapted Shakespeare to answer Janey Buchanan, Labour MEP for Glasgow, is now in the stars but in ourselves, that we are underlings", he has told her.

And assuring the Conservative MEP for Bristol, Richard Cottrell, that there could be no heavenly answer to Europe's problems, Thorn quoted a proverb: "The man who gazes at the stars is at the mercy of the puddles in the road."

### Big scorers

While Kent's 616 for six declared against Oxford University sent cricket statisticians scurrying to discover that a county team had not scored over 600 runs since 1949, the tally shrinks when compared with other first-class matches.

Victoria, which scored 1059 against Tasmania in Melbourne in 1922-23, punished New South Wales for 1107 at the same ground four seasons later. Hutton's 364 against Australia at



the Oval helped to a total of 903 for seven declared, the highest ever made in this country. Hutton's county, Yorkshire, hold the record outside Test matches — 887 against Warwickshire at Birmingham in 1896.

### First collection

My former editor, William Rees-Mogg today publishes the first handsome catalogue of the stock of his antiquarian bookshop, Pickering & Chatto, which moved to Pall Mall in March.

As anybody who knows his predilections would guess, it is particularly strong in eighteenth-century Eng. Lit. Rare treasures such as the first edition of *Tristram Shandy* and the 1557

edition of Sir Thomas More's *Works* have been rebound in the Pickering house of olive or dark green straight grained morocco, with, on the spine, William Pickering's own version of the Aldine Anchor and Dolphin device.

In his foreword Rees-Mogg reassures his customers: "I am an active proprietor and my wife is an active director. How different, how very different from the busy-burly of life in our own dear Street of Shame."

### Rail in vain

I have bad news for readers who have complained to me that Apsley House's fine wrought-iron gates and railings at Hyde Park Corner have been painted lurid green. They are going to stay that way, because that is how the first Duke of Wellington originally liked them.

The colour, which I much prefer to the former prosaic black, does sit a little uncomfortably with the harsher modern green used on neighbouring street furniture. It is authenticated by the Victoria and Albert Museum, which is supervising restoration of the Department of the Environment.

In the 18th and early 19th centuries London was a more colourful place partly because it was the fashion to paint railings brightly. If they had decided to paint the railings along Constitution Hill bright blue, I shall not complain, though you might

PHS



Donald Butt  
difference  
Sheffield  
s made



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

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## WILLING THE MEANS

Strategy, as Mr Pym told the Commons yesterday, must be seen as a whole. It is not a diplomatic solution to the Falklands crisis that we want; nor an economic solution, nor a military solution. It is a solution; and we are having to use all three means to achieve it. What weight any one of those means is given at any time depends on the circumstances, and the circumstances depend on many factors outside our control. Nothing that has yet occurred in this crisis can justify the accusation against the Government that it is seeking a military, and only a military solution. Argentina, on the other hand, has by its behaviour shown that it has no great interest in diplomacy, so that diplomatic means have so far not achieved very much except under the additional stimulus of military pressure. Moreover, the economic means, though long on declaration and intention, are woefully short on immediate effect, and even shorter now that some fair weather friends in the EEC are considering lifting their sanctions almost before they had imposed them.

The solution we seek is the withdrawal of Argentine forces from the Island. That has become paramount in the short term, since no other medium or longer term permutation about sovereignty, administration, interim arrangements, or self-determination has any meaning without it. There has been no sign that such a withdrawal is likely through diplomacy. The sad and painful conclusion must be that such a withdrawal, or a better inclination to negotiate such a withdrawal, can only be made more likely by military pressure.

The purpose of British military strategy has therefore been to secure this withdrawal, with tactics at all times conditioned by the doctrine of minimum force. That involved imposing a quarantine round the Islands, not only to prevent the invading forces from being further strengthened after the supply and resupply of the last four weeks, but also to emphasise that the invasion and occupation is an unnatural and illegal state of affairs, which must therefore be temporary, and soon terminated.

The quarantine at sea and in the air - the total exclusion zone - has to be maintained. All British action so far has clearly been taken to achieve that objective, and to protect our forces against attacks intended to prevent them from achieving it. This has meant defending ourselves against attack, and, as Mr Nott observed yesterday, it would be inconceivable that the Government's rules of engagement for commanders inhibited them from such defensive action, as, for instance, was required in the engagement with the General Belgrano.

## DOCK THREAT ONLY DEFERRED

Through all the recent months of rising unemployment and closing factories, one group of workers has survived in perfect security. Registered dock workers are virtually immune from lay-off or dismissal, and if the company that employs them shuts down other employers in the same port are obliged to find jobs for them, whether or not there is any work for them to do. To relieve the gross overmanning that inevitably results, terms for voluntary severance are so attractive that more than 4,500 out of a labour force of 20,000 accepted them last year, in spite of all the uncertainties of life in the world outside the dock gate.

It is this comfortable state of affairs that the dockers would like to compel the Government to extend to the smaller ports which were left out of the statutory National Dock Labour Scheme in 1976. A soft answer from the Government has led the negotiators to put off a clash which would inevitably be profoundly damaging to the economy. But the threat is only deferred: the Government will hardly be able to look favourably on a proposal which even the Labour government flinched from as too radical. Short of naval blockade, no surer mean can be imagined of hurrying the ports outside the scheme into the same kind of malaise that afflicts most of the ports that are members. The scheme, and the restrictive practices that go with it, are not exclusively to blame for the dismal performance of the

In the course of defending our zone we have inflicted casualties against our attackers, and suffered them. Suddenly the whole atmosphere of the crisis has changed. The flag waving and the fanfare are no longer part of the fun. It is a sad reflection on the television age that violence of all kinds assumes a kind of plasticity, an unreality, which tends to immunise us from the idea of violence, but not from its awful reality when that breaks out on the television screen. Thus the studio discussions, the sea charts and the sand tables, all have a reassuring feeling to them which is only belied by the dark horror of maimed bodies floating helplessly on mountainous and icy seas. These are the pictures which never come until it is too late.

This shock came upon the House of Commons yesterday and the night before as the details of British casualties were announced. It will percolate more widely to the public, though whether the same sense of shock is reflected in voting patterns at today's local elections will only be evident when the results are declared.

There is a sense in which the age of deterrence and the abolition of conscription have deprived the British people of the means to understand the facts of their own security. Deterrence is not a state of affairs which can be secured on the cheap, and the cost cannot just be financial. Yet for 25 years the British people have been lulled by their leaders into willing the ends of deterrence - peace - without willing the means, which are a continuous involvement in, and possible sacrifice for, the cause of peace.

Until 1968 no year had passed since the war in which a British serviceman had not died for his country; there was only a twelve month lull. In the Mau Mau emergency 26 men died, in Suez 17, in Borneo 62 (including Gurkhas), in the Malayan emergency 525. Since troops were sent to Northern Ireland in 1969 351 regular servicemen have died and another 122 members of the Ulster Defence Regiment. We are now faced with casualties in the South Atlantic. Our task force was sent there for a purpose, not just to assist diplomacy by looking nice on television screens and sounding nice in politicians' speeches. It was sent there to do a dangerous job, since danger is its business. It is too late now to regret the discovery that violence begets violence, and that we may all have to suffer in the struggle to see that violence does not get an undue reward.

If the task force had been sent out to the Falklands with a limited casualty label stuck on its sterns, what would that figure have been, one? two? twenty? thirty? three hundred? These figures are not calculable, any more than they were when Britain

undertook other security commitments at home or abroad. The defence of vital interests, be they principles, citizens, or sovereignty, cannot be so precisely, and actuarially assessed if it is to have any real validity as a basis of national policy.

The question now is: how does the Government proceed from here? The first necessity is to continue our attempts to secure a total exclusion zone against the attacks of Argentine aircraft and ships. This may mean a contraction in the perimeter of the zone, to provide fewer chances for Argentine attack by mainland-based aircraft. But the zone must clearly be kept intact, and made more secure in time for the arrival of the land forces within the next two weeks. At that stage, if there has been no break through in negotiations, the Government will have to establish and augment a land presence in the Islands. Of that there can be no doubt.

But there may have been negotiations by then. Mr Pym yesterday spoke favourably about the prospect of a trusteeship status for the Falklands Islands under United Nations auspices. The House, or most of it, felt reassured at this prospect at the end of the negotiating process; but it is that process itself which still baffles statesmen.

Whatever longer term arrangement can be made for the Islanders' security there are certain factors which constitute an irreducible minimum to the British position. The first is that nothing can be done without a preliminary Argentine withdrawal, and no negotiations entered into which do not provide for that withdrawal. The second is that the question of British sovereignty against the Argentine claims: cannot be conceded or negotiated; it can only be frozen pending judicial decision. The third is that the Islanders' views and wishes must be fully respected in the final settlement. After this invasion, it is inconceivable that they would opt for, or could be pressured into, accepting either Argentine sovereignty or any type of Argentine control.

So we are back in a difficult phase of our strategy to achieve a solution which is consistent with those principles, as with the overriding principle that illegal acts of international violence must not be condoned or compromised with. The basis of strategy is the struggle for freedom of action. The invasion pinned us down, and pressurised us into accepting it. Our response has restored our freedom to challenge the invasion and has prevented it being accepted by the Islanders, by the British nation as a whole, even by the world community. That freedom of action for our own people, for all people, - that freedom - must remain our objective.

Months. Dockers can claim that the scheme, introduced to end the harsh exploitation of casual labour before the war, has made it possible for the labour force to grow from 80,000 in 1947, when the scheme began, to 18,000 today. Since the pact which followed the national dock strike ten years ago, the contraction has accelerated at relatively small cost in stoppages. The advance of containerization is expected by some observers to make a further drop to the 10,000 necessary by 1984.

Dockers have been pressing intermittently since 1976 for the extension of the scheme to other ports and to container depots within five miles of a registered port - the TGWU threatened industrial action over the latter only last May. The dockers claim that Felixstowe enjoys an unfair advantage by avoiding the levy paid by member ports to finance the scheme, and that its success harmfully heightens the tendency of business to slip away from ports in the north and west. If there is any substance in the first argument, it can be met without imposing the full burden of the scheme on Felixstowe. The second simply identifies the effects of the inefficiency that the scheme has inflicted on members. It is worth paying a certain price for peace in the industry, and the price of the dock labour scheme is already very heavy. Hobbling successful ports to allow the unsuccessful ones to catch up would be far too high an additional price.

## Defence priorities 'lie with Nato'

From Admiral of the Fleet Lord Hill-Norton

Sir, It appears from his laboured attempt to defend Mr Nott's disastrous defence policy that David Watt (feature, April 30) shares the Defence Secretary's almost total inability to understand what Mr Watt miscalls "European priorities". There are, of course, no such priorities for Britain, or any other European power, which belongs to the Nato Alliance.

Nato's priorities have led her Majesty's Government of both political parties, with the unanimous approval of all our Nato allies, so to order our military contribution that Britain has, for 25 years, provided 70 per cent of the Nato maritime forces on the Eastern Atlantic, Norwegian and North Seas. This has absorbed 10 per cent of our defence budgets. The other ally, including the United States, can replace these highly efficient and specialized forces which Mr Nott announced last June would be cut by a third. He has since compounded this folly by announcing that naval manpower would be cut by 15 per cent and the vital quick support for the whole fleet by about 25 per cent.

It is a palpable illusion to suppose that any money saved by this major and irreplaceable reduction in Nato's maritime defence (upon which any successful land/air operations in Europe wholly depend) can be usefully employed, as Mr Watt puts it, "to protect (further) north-west Europe, and most of all these islands". For no less than 40 per cent of our defence budget was now providing just 10 per cent of the allied forces deployed in Germany.

Any increment which could be paid for by even half the navy vote would increase these forces by perhaps one armoured division and one squadron of Tornado aircraft.

Does anybody, except Mr Nott (and Mr Watt), suppose that this would really make any difference at all to the Soviet perception of our conventional deterrent or the nuclear threshold?

None of these hard facts has anything to do with a preoccupation with historic delusions of maritime grandeur, or with an attempt "to restore large global capabilities". It is, nevertheless, certain that had the humiliating seizure of the Falklands occurred after the Defence Secretary's conceived intentions had taken effect, no military option would have been available to the Government.

It is equally certain that no other country, including the super-powers, could have sailed this "rapid deployment force" so quickly or so smoothly. Indeed, the brilliant professional efficiency with which the navy and the dockyards mounted this operation contrasts starkly with

the amateur blunders by successive governments which made it necessary.

It is devoutly to be hoped that wiser counsels will now prevail, and that a wiser man will soon be charged with reordering our defence priorities to accord realistically with our Nato obligations.

This would, as an important bonus, enable us to continue to play the part for which history and aptitude make us particularly suitable, in deterring all aggression whether within or outside the Nato area. I am, and remain, Sir, your obedient servant, HILL-NORTON, King's Mill House, South Nutfield, Surrey, May 1.

From the Duke of Buccleuch and Queensberry

Sir, May I repeat a proposal I made in the House of Commons over 10 years ago? Regrettably, it fell on mainly deaf ears then, but the Falklands crisis makes it more obviously pertinent and urgent now.

It was for the creation of a South Atlantic Treaty Organization (SATO) or else for the extension of NATO to cover the entire Atlantic, together with suitable bases in the Falkland Islands, South Georgia and Simonstown are good examples.

Quite apart from the long-term significance of mineral and other resources in Antarctica, most of the free world depends upon the movement of shipping, including oil super-tankers, around the capes. Argentinian aggression demonstrates the extreme vulnerability of these trade routes and that NATO defences could be as easily bypassed today as in 1940. We must not let a relatively minor independent dictatorship distract us from the far greater menace of those striving for global dictatorship of the Communist variety.

Because many Central and South American states could be unstable allies, through their proneness to unstable undemocratic regimes or their flirtation with Cuba, and because most European countries are even more dependent upon oil imports than we are, there is a good reason for their direct participation in a new SATO or NATO.

For as long we have dithered over the Falkland Islands and dependencies. Now, I suggest, is the time to plan their future, following the withdrawal of Argentine forces, in the context of global strategy, and take positive action jointly with our allies in Europe, Canada and the United States.

Yours faithfully, BUCCLEUCH, Drumlaig Castle, Thornhill, Dumfriesshire, May 2.

## East Timor invasion

From Lord Avebury and others

Sir, The speed with which the governments of Europe have acted in response to the economic, political, and military sanctions against the Argentine Government since its illegal occupation of the Falkland Islands is remarkable. It merits comparison with their response to a recent very similar military occupation of another European colony.

Like Argentina, the military Government of Indonesia invaded the Portuguese colony of East Timor, in December, 1975. Since then, as you noted in your editorial, "Horror in East Timor" on February 24, it is estimated that more than 100,000 people have died, either directly as a result of military operations or from consequent famine and disease, out of a population of only about 670,000. They were all, by law, Portuguese colonial subjects.

The Timorese have repeatedly pleaded for sanctions against Indonesia, as have the Portuguese, but to no effect. Indeed, governments such as our own have assisted the Indonesian military by supplying them with aircraft to facilitate their illegal occupation, repeat-

edly condemned by the United Nations.

The invasions are analogous but the European response exhibits a clear example of double standards. In the case of the Falkland Islands, it is firmly stated that a country must be supported against an illegal invader and that a people's right to self-determination must be upheld. In the case of East Timor, these rights are apparently expendable, as is the country's population.

As world opinion is being mobilized to support the Falkland Islanders, reaffirming the conclusion you drew about East Timor that "a solution based on negotiations and the free choice of the inhabitants is urgently needed and the international community, particularly those countries which have close economic and military ties with Indonesia, including Britain, should make much more serious effort to achieve one".

Yours faithfully, AVEBURY, FENNER BROCKWAY, B.C. BUTLER, BOB EWARDS, RUSSELL KERR, ALF LOMAS, JOAN MAYNARD, DOROTHY M. NEEDHAM, JOSEPH NEEDHAM, STAN NEWENS, 8a Treport Street, SW18.

## Hanratty case

From Professor Terence Morris

Sir, In the course of his article which you published on April 27, Mr Nicholas Fairbairn makes two serious errors of fact. These are especially surprising when they are made by a former law officer of the Crown.

He says: "...look at the case of Hanratty. He unintentionally shot Michael Gregson when he turned suddenly in the car." ...after Gregson's death he raped Valerie Storie at gun point and emptied his gun into her body in order to eradicate her evidence."

James Hanratty was convicted at Beddles Assizes on February 17, 1962, of the capital murder of Michael Gregson. The trial which incidentally lasted 21 days established a record in English legal history for a murder trial. It was no part of the Crown's case that he unintentionally shot Gregson; had it been otherwise the indictment could not have been for capital murder. The victim was shot twice in the head at point-blank range; so close in fact that the entry and exit wounds could only be distinguished by the closest observation.

As to the matter of rape, that was never proceeded with. Had it been, it might have been extremely difficult for the Crown to persuade the jury to convict. These are detailed matters with which one would have expected a lawyer interested in the question of capital punishment to be familiar. (Two important books

have been written on the Hanratty case.)

Quite apart from this there are very serious questions arising from the evidence of identification that cast grave doubt upon Hanratty's guilt. Ironically, if the trial had proceeded under inquisitorial rather than accusatorial rules, some of these doubts could have been before the jury.

Yours faithfully, TERENCE MORRIS, Professor of Social Institutions in the University of London, The London School of Economics and Political Science, Houghton Street, WC2.

## Women in the ministry

From Dr J.M. Court

Sir, The Warden of Latimer House speaks of logic (Letters, April 27). The logic of his position seems to be that priesthood is a masculine role which is "faked" by the ordination of women. But that is the essential question.

The Anglican churches agreed "to respect each other's discipline in this matter." While this must mean that those who do ordain women should not force them on those who don't, should it not also mean that those who don't are prepared to recognise that those who do actually know what they are doing?

Yours faithfully, JOHN M. COURT, Faculty of Humanities, Keele College, Keele University, Canterbury, Kent, April 27.

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Because many Central and South American states could be unstable allies, through their proneness to unstable undemocratic regimes or their flirtation with Cuba, and because most European countries are even more dependent upon oil imports than we are, there is a good reason for their direct participation in a new SATO or NATO.

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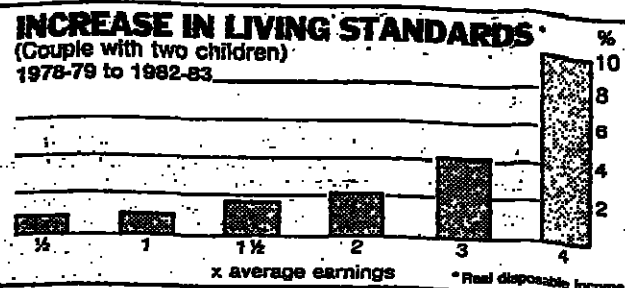
## Stock Exchange Prices

# Falklands Uncertainty

§ Forward bargains are permitted on two previous days.

[illegible]





Four consecutive Conservative Budgets have left the lowest paid workers barely better-off than in the final year of the last Labour government, while the highest paid have improved their living standards by nearly 10 per cent. The figures in the chart, compiled by the Treasury in answer to a parliamentary question, are based on take-home pay plus child benefit (and family income supplement where appropriate) adjusted for inflation.

## STOCK EXCHANGES

FT Index 575.4 down 8.8  
FT 100 67.67 down 0.31  
FT Allshare 328.52 down 4.3  
S&P 18.049  
Tokyo market closed  
Hong Kong: Hang Seng Index 1,316, down 3.16

## INTEREST RATES

Base rates 13%  
3 month interbank 13 1/4%  
13 1/2%  
Euro-currency rates  
3 month dollar 14 1/2-15  
3 month DM 8 3/4-9%  
3 month Fr 2 3/4-2 1/2%

## PRICE CHANGES

Lloyds Bank 386p down 7p  
Thom EMI 420p down 12p  
Lamson 342p down 13p  
General Accident 288p down 10p  
British Sugar 485p down 10p  
Smith St Aubyn 34p down 4p  
Toscal 37p down 3p  
Trident TV (A) 78p down 4p  
Unilever 609p down 8p  
P & O 144p up 5p  
United Scientific 341p up 11p

## Invergordon rescue plan

Final details of a new rescue plan for the Invergordon aluminium smelter are unlikely to be completed until next week, despite the plan's approval in principle by the Cabinet's key economic committee last Tuesday. The plan involves offering a cheap power package based on subsidized coal to potential buyers of the plant, shut by British Aluminium shortly after Christmas with the loss of nearly 900 jobs. Whitehall officials stress that the Scottish Office package still has no guarantee of being acceptable to the four or five companies interested in Invergordon.

## 'Call up' ships payment

P & O has received a down-payment of £1.25m from the Government after the requisition of four ships, including the Canberra, for Falklands duty. Talks on full compensation are continuing and the Ministry of Defence is being billed monthly. Meanwhile, P & O pretax profit last year fell from £47.07m to £40.95m. There was a strong recovery in the second half after profits had slumped from £12.9m to £729,000 at the interim stage. The total dividend rises from 8p to 10p. Lord Inchcape, chairman, forecasts improved results this year.

## Manager 'exploited' singer

A High Court judgment has effectively made null and void earnings estimated at £3m made by Management Agency and Music through its association with singer Gilbert O'Sullivan. Mr Justice Mansfield said that the singer had been exploited by Mr Gordon Mills his former manager, chairman of MAM. He awarded Mr O'Sullivan the copyright of his songs, with records, master tapes. In his judgment the judge said that between 1970 and 1978 Gilbert O'Sullivan records had grossed about £14.5m — from which Mr O'Sullivan made about £400,000 before tax. The MAM board says it has been advised to appeal.

## Chequepoint checks fraud

Chequepoint, which runs twelve late night cheque cashing branches in central London, is reporting for fraud around 30 or 40 holders of stolen cheque cards each month, saying the high street banks an estimated £250,000 a year. On average each bank branch could expect to spot just one stolen cheque card a year. "Our counter staff are always on the lookout for potential fraud", Mr Anthony Hutton, chief executive of Chequepoint, said. Cashiers are also trained to spot counterfeit notes.

## Imports attack

Britain must cease being the soft market for the so-called developing world and action was needed against countries which blocked imports of British goods by crippling duties while having free access to the United Kingdom, Mr Geoffrey Moore, Society of Motor Manufacturers and Traders president said in London yesterday.

## More UK oil

The United Kingdom produced 19 per cent more oil than it consumed in the first quarter of this year, the largest surplus yet in seven years of North Sea output, according to Department of Energy figures published yesterday. Output was up by 7.5 per cent on the year before to 23.5 million tonnes.

THE GOVERNMENT was urged by Mr Walter Goldsmith, director-general of the Institute of Directors, to give away loss-making national industries. He told a London conference the private sector should be paid to remove the burden of loss-makers on public funds.

SNOOKER club groups Leisure and Lucania Snooker Clubs are planning to join forces in a deal worth £3.1m. Riley has agreed terms to buy Kensal House Investments, owner of the 16-club Lucania group.

UNIONS were warned yesterday by Mr Ian Keisler, director of the Wales CBI, that a "wages spree would have a catastrophic effect on jobs and severely hamper the slow industrial recovery."

Gold and currency reserves lowest for three years

## Pound and shares recover after nervous trading

Financial markets roared nervously yesterday as British losses in the South Atlantic late in Tuesday and business was dominated by unconfirmed rumours.

The pound fell sharply in erratic trading against Continental currencies, though it finished stronger against a weaker dollar, as Government stocks and shares also lost ground.

The Treasury's announcement that Britain's gold and currency reserves fell by \$810m last month to their lowest for more than three years had relatively little impact.

The pound fell to \$1.7950 at one stage yesterday, before finishing in London at \$1.8060, nearly a cent up from Tuesday and its highest for six weeks. But the index measuring its wider international value dropped 0.5 to 85.6 per cent of its 1975 level, reflecting falls against European currencies such as the Deutschmark.

The dollar was hit by lower short term interest rates and expectations that rates are likely to fall further in the

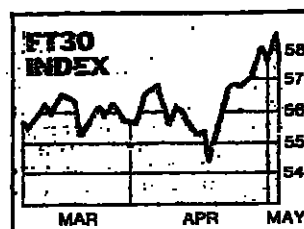
short term, now that the April bulge in the money supply has passed without a tightening of credit policy by the United States authorities.

Against the Deutschmark the dollar tumbled 2 1/2 pence to DM 2.3180, a fall of nearly 8 pence in just two weeks.

The drop in Britain's official reserves left them standing at \$18,159m (£10,105m) at the end of April, their lowest since March 1979. After adjusting for loan repayments and valuation changes the underlying fall — a rough guide to Bank of England intervention in foreign exchange markets to steady the pound — amounted to \$394m.

Though substantial, this suggests that intervention following the Falklands invasion has been on a smaller scale than last autumn, when sterling threatened to collapse.

Loan repayments from the reserves last month included \$106m of the International Monetary Fund Oil Facility, half of which was an early repayment. This brings



Britain's outstanding debt under this facility to SDR 155m (Special Drawing Rights) — about £97m — from the original SDR 1,000m drawn in 1976.

The Government also repaid \$202m of five-year foreign currency bonds, issued in 1977 to encourage unwilling overseas holders of official sterling balances to keep their money in Britain.

The reserves were also affected by net repayments of public sector borrowing under the exchange cover scheme of \$69m, and a revaluation fall of \$77m.

Yesterday's uncertainty, Tuesday's on the stock market looked overdone, and in light trading shares were

marked down, particularly in the industrial sector. But by the close some shares were recovering and the FT 30 index closed down 8.8 at 575.4, compared to 570.1 at 10 o'clock.

Gilt were down about half a point in the long and medium sectors of the market, and shorts recovered at the end of the day to be down about a quarter.

In the United States institution investors have moved back strongly into Wall Street after the profit-taking and nervousness seen earlier in the week (Nicholas Hirst writes).

In heavy trading the Dow Jones industrial share average by noon was up 4.28 at 852.7, following a rise of 5.42 to 854.45 at the close yesterday.

The market is now shredding off bad news, ignoring the Falkland Islands crisis and the lack of a compromise on the United States budget to continue the long rally which began seven weeks ago.

## No sign of recovery, CBI says

By Edward Townsend  
Industrial Correspondent

Employers' leaders again clashed with the Government yesterday over the prospects for Britain's economic revival. There was, said the Confederation of British Industry, "still no evidence of any noticeable recovery in activity."

The CBI's April industrial trends survey of 1,695 manufacturing companies shows that demand remains flat and nine out of ten companies expect output to be constrained in the coming months by a shortage of orders or sales.

The only bright spots are a marginal improvement in business optimism, a small rise in profitability and a more widespread improvement in corporate liquidity.

The CBI's stark message contrasts sharply with the recent pronouncement from Sir Geoffrey Howe, the Chancellor of the Exchequer, that a modest and reasonable recovery was under way.

But Sir James Clesington, chairman of the CBI's economic situation committee, said yesterday: "Government ministers are looking on the bright side, which I would do if I were a politician. But overall I do not think that there has been a coming off the bottom of recession that the Chancellor would like us to believe."

"A further and sustained reduction in interest rates as soon as possible and a continued fall in pay settlements are needed to bring about the improvements in competitiveness so necessary for increased demand and the creation of new jobs," he said.

The survey indicates continued extensive falls in manufacturing employment and the CBI estimates that job losses will average 15,000 a month up to July. This would confirm its forecast that unemployment will reach a peak of 3.5 million.

Twenty-four per cent of companies are more optimistic than they were four months ago, despite the uncertainties over the deepening Falklands crisis.

CBI leaders later joined with government ministers in criticising the National Economic Development Office and Mr Geoffrey Chandler, its director general, for the absence of practical proposals in a report submitted to the NEDC on future industrial policy.

The report which is to be broadened in scope to include firm recommendations and put to the council later in the year was described by Mr Patrick Jenkin, the industry Secretary, as like "wrestling with cotton wool."



Graham Ferguson Lacey

## Lacey resigns as Cook makes £9m NCC bid

By Philip Robinson

Mr Graham Ferguson Lacey, the 33-year-old financial director who tried to turn the former Rexco fuel company into a leading mineral and oil exploration force as NCC Energy, has resigned as its chairman and chief executive. With him has gone his life-long septuagenarian friend Mr Cecil McBride.

Their departure was announced last night by Cook International, America's second-largest pest controller, as it unveiled a 25p share takeover bid for NCC, valuing it at £9.2m. In the two months NCC has had a stock market price tag of £41m.

Cook has also instituted the terms of a "put" option in NCC shares which could mean that Mr Ferguson Lacey and Mr McBride face a personal liability of £3.5m.

Cook was given 3 million NCC shares as collateral for a \$6.7m loan which enabled NCC to buy more shares in the American group, Simplicity Pattern, where Mr Ferguson Lacey was chairman.

Under the terms of the option, Cook could insist that Mr Ferguson Lacey and Mr McBride buy back the shares at a £1 each, plus interest on the loan. It was still unclear last night whether Mr Ferguson Lacey and Mr McBride were individual parties to that agreement or whether they share a combined responsibility to buy back the shares.

Mr Ferguson Lacey, whose plush headquarters in London's Buckingham Gate were being occupied last night by Cook's chairman, Mr Edward Cook, was said to be unavailable for comment.

Simplicity Pattern refused to comment yesterday on whether Mr Ferguson Lacey was still its Chairman. His position and the majority of the NCC directors on the Simplicity board, arose from NCC's per cent holding.

Mr Ferguson Lacey was negotiating the sale of that holding — a major factor in the NCC balance sheet — when he heard that a takeover bid for his company had been made.

Cook has now ordered a thorough investigation of NCC's finances covering its business activities, assets and liabilities, by accountant Peat Marwick Mitchell. Peat Marwick has already been appointed receivers to Mr Ferguson Lacey's private investment vehicle, Birmingham and Midlands Counties Trust Holdings, which has not filed accounts with Companies House since 1980.

It is controlled by Mr Ferguson Lacey and Mr McBride through a charitable trust, the Cecil Foundation.

The receivers said last night they were still waiting for updated figures on the Cecil Foundation and BMCIT.

## WHITEHALL BACKS NEW TECH FIRMS

By Bill Johnstone

Mr Patrick Jenkin, Secretary of State for Industry, last night reaffirmed the Government's intention to favour the new technology industries instead of supporting what he terms the "casualties of the past."

He announced the Government's commitment in a speech last night at the annual dinner of the Electronic Engineering Association.

Mr Jenkin said: "When I took over at the department and asked for a breakdown of our spending, I was astonished to learn that no less than half my budget goes to support the casualties of the past. I am determined to change this."

He emphasized that the current trade deficit of about £230m in information technology goods, highlighted last week in a report by the National Economic Development Council was totally unacceptable.

The electronics industry and the Government must address themselves urgently to what needs to be done to stop it happening," he said.

Another report prepared for the NEDC also stresses the growing trade gap in consumer electronics.

Business Editor  
General Accident's chilling tale

Judging by yesterday's appalling results from General Accident, the first quarter of this year is going to be one of the worst periods ever for the industry, and forecasts for Commercial Union, which reports next week, have already been downgraded to losses.

The severe winter weather was the main reason for General Accident's £30m turnaround to pretax losses of £11m. In the United Kingdom alone, weather losses are put at £20m — far higher than anyone expected — and the overall underwriting loss at £54m was not only three and half times more than in the first quarter a year ago, but larger than for the whole of last year.

But if the weather losses can be described as exceptional, the rest of the picture is almost as gloomy. General Accident like any other, is still being squeezed by low premium rates, caused by the fierce competition and overcapacity in the industry, and heavier claims. An underlying 18 per cent rise in investment income in the first quarter has proved hopelessly inadequate compensation.

In the United States the first quarter operating ratio has deteriorated from 106 to 111 per cent and results from all the other main areas worsened by varying degrees.

In the United Kingdom, General Accident now has to resolve the problem of motor rates at a time when the market is looking increasingly unhealthy. Overall profits this year may be down by a fifth or more, but at least there should still be scope to raise the dividend.

CBI Survey  
Hopeful signs

The calendar tells us it should be spring but the CBI's survey of trends shows, at first sight at least, a uniformly bleak and wintry landscape. Look closer at the answers, however, and it is just possible to see the occasional late snowdrop trying to burst through.

Some industries are showing signs of increased output, including the hard-hat engineering sector. All companies seem to be sharing in an improvement of liquidity and the improvement in productivity goes on apace.

Last, but perhaps most important for the economy as a whole, there are signs

that business confidence is rising, even if orders are not.

Those are the bright spots for industry. For the Government, the good news is that inflationary expectations are obviously cooling. There is now less risk of a sharp upward burst in prices when output picks up, although cynics may feel that this is partly because output shows little sign of recovering.

For the rest, the figures are a grim reminder that so far recovery has been painfully slow for most of Britain's industry. But nothing in the latest set of figures casts real doubt on the consensus that output will rise by about 1 1/2 per cent this year.

P & O  
Mixed picture

Whatever the public thinks, P & O remains fixed in the City's eyes as a shipping company which makes a pittance from the trade. Last year the group's net profit from ships, excluding OCL, was a mere £2m, although just under half total assets (of around £700m) are in ships.

Yet in the past six months, all the headlines have revolved around ships, hence the share price gyrations on rumours of bids from Chinese owners, strikes at Southampton.

A conglomerate, then, with shipping interests, P & O derived the bulk of its 1981 pretax profit of £41m (down from a peak £47.1m, but proof of a remarkable recovery after the £729,000 loss from oil trading, Bovis, banking and property).

Oil profits fell from £17.2m to £10.6m due to deregulation in the United States, over-capacity and conservation. But Bovis profits jumped from £2.3m to £6.8m, despite the construction slump, and the other divisions made useful contributions with the exception of ferries. At least the losses here were down from £8.1m to £6.7m — and a further cut is expected this year after 15 per cent price rises.

The sale of bulk cargo ships will continue, leaving the group to concentrate on its interest in specialist container vessels. Debt is down from a peak of £420m to £270 — including a £10m fall in the latest year and gearing is a conservative 30 per cent. Profits in 1982 could touch £50m and the current share price of 145p, up 6p, compares with a probable net asset value of around 400p.

## Hungary wins membership of IMF

From Bailey Morris, Washington, May 5

Hungary has become the second Soviet Block country to join the International Monetary Fund. An IMF spokesman said Hungary's membership application was approved by a wide margin by the 145 member countries including the United States.

The Reagan Administration has been less supportive of Poland's still pending IMF membership application.

A high-level delegation of Hungarians led by Mr Jozsef Marjai, the deputy prime minister, has been in Washington for almost a week for talks with both the IMF and the World Bank.

Now the IMF application has been approved membership in the World Bank is expected to follow quickly.

In addition to approving Hungary's application, the IMF has also taken steps to ease the growing financial pressures on Romania, already a member organization, by lifting a five-month suspension of its borrowing capability.

Last November, the IMF suspended Romania's access to a \$1,300m (£72m) line of credit because it failed to carry out certain specified economic reforms and it was falling behind in repayments

to Western banks and companies.

The Romanian government has been attempting in recent months to refinance an estimated \$2,300m in debt repayments due this year to more than 300 Western banks. Romania became the first Soviet Block country to join the IMF when its membership application was approved in 1973.

In taking the decisions of admitting Hungary and providing financial support to Romania, the IMF has provided important psychological and practical support to the two Communist nations

## Rise in sales lags behind inflation

## Co-op loses market share

By Derek Harris, Commercial Editor

The Co-operative movement may still be the number one grocery multiple, but the gap between it and J. Sainsbury is narrowing. The latest Audits of Great Britain returns for March show Sainsbury with 15.3 per cent of the packaged grocery market (up from 13 per cent in March last year) while the Co-op was down to 16.2 per cent from 17.4 per cent a year ago.

The successful march of Sainsbury took another stride forward yesterday with annual results showing a near 25 per cent increase in sales over 1980, with pretax profits up nearly 36 per cent.

At the same time 1981 returns from the Manchester-based Co-operative Wholesale Society (CWS), while showing an impressive trading profits rise of 44 per cent, showed a sales rise of only 5 per cent.

Tesco Stores is still num-



Faxon: fighting back

But retail societies have held their market share in household durables while losing further ground in clothing and footwear, according to the CWS report.

Mr Dennis Landau was chief executive, outlined how the Co-op was now fighting back, including a new plan for retail societies to capitalize on their wide holdings of freehold property. A chain of CWS regional distribution centres are now bringing a big increase in the coordination of buying and marketing by retail societies.

Profitability at CWS the highest trading entity in the Co-op movement with £1,900m turnover, arose from improved profits in some trading divisions, including funeral services and optical manufacture, Mr Landau said.

Sainsbury results, page 18

## Tootal Group

## "Pre-tax profits doubled..."

PRELIMINARY RESULTS  
YEAR ENDED 31 JANUARY 1982

	1981/82 £ million	1980/81 £ million
Sales	418.9	377.1
Trading Profit before Interest	30.6	19.3
Profit before Taxation	14.8	7.3
Earnings per Ordinary Share	3.2p	1.3p
Dividends per Ordinary Share	2.25p	2.25p

Profit before tax doubled in 1982. This did not stem from any recovery in demand but direct result of rationalization and improvements in efficiency.

During the year decisions were taken to close all businesses for which the profitable future could reasonably be foreseen and provision has also been made for further anticipated responses to the market. This results in a change for extraordinary items totaling £25.4m.

Material progress has been made in turning round low-margin stores where the potential markets justified the effort needed and all businesses are now capable of making an adequate return given reasonable trading conditions.

It is impossible to be confident of an improvement in world trading conditions in the current year. Nevertheless, earnings will be substantially up on those for 1981/82.

The Report & Accounts will be posted to shareholders on the 28 May 1982 and the Annual General Meeting will be held in Manchester on 23 June 1982.

Tootal Group plc  
50 Oxford Street, Manchester, M60 1HL







APPOINTMENTS

Three join central TSB board

Mr Neville R. Barker, chairman of TSB North East, Mr Kenneth A. Millichip, chairman TSB North West and Mr Peter J. Cook, general manager TSB Wales & Border Counties have been made directors of Central Trustee Savings Bank (CTSB).

Mr Tom Mayer is the new president of the Electronic Engineering Association. Mr Mayer is chairman and managing director of Thom EMI Electronics.

Mr Roy Haines has been appointed to the new position of deputy treasurer of National Westminster Bank's International Banking Division.

Mr Joe Webb has been promoted to finance director and company secretary of the Charles Clark Motor Group after eight years as group chief accountant.

Mr Dierich has been named as president of PHH International, a wholly-owned subsidiary of PHH Group Incorporated.

Mr John Skeffington has become a director of Cayzer, Irvine Shipping.

Mr B. Rombough has been appointed chief executive officer of PanCanadian Petroleum. Mr Robert R. Campbell, formerly chairman and chief executive officer, will continue as chairman.

Mr Demot de Trafford, deputy chairman of Low & Bonar is to become chairman of the group on June 1.

Mr Yves Bonavero has joined the partnership of E. D. & F. Man.

Mr Gordon Wileman of Nestlé has been elected treasurer of the Automatic Vending Association of Great Britain. Mr Ian Plummer of City Vending has been re-elected chairman of the association. Mr Roger Thomas of Mars Money Systems Division and Mr Mike Bellon of Lin Pac Plastic Containers, have been elected to the association's board of management.

Mr J. A. Club will become executive vice president of the British Scrap Federation on June 1, succeeding Mr R. S. Boast who will be a consultant to the federation.

Mr Jack Walmough has retired from the boards of Walmoughs Limited and Bridge Graphics. He will remain deputy chairman of Walmoughs (Holdings). Mr Colin Maughan becomes deputy chairman of Walmoughs Limited. Mr Douglas Greaves has retired from the boards of Walmoughs (Holdings) and D. H. Greaves. He will become a consultant to Walmoughs (Holdings).

Mr Leonard Humphrey, managing director of Humphrey Scaffolding (Brighton), has been elected president of the National Association of Scaffolding Contractors.

# Construction: the slow build-up

A series of better-than-expected profits from publicly-quoted construction companies and relatively buoyant house-building statistics have fuelled optimism about a recovery in the industry. Much of the sector — generally thought to be a bell-wether for the economy — is still however suffering from a deep recession with little immediate hope of relief. Baron Phillips assesses the state of the industry.



Channel tunnels and the odd power station apart there is little to cheer Britain's hard-pressed construction industry. Cutbacks in North Sea oil development and public sector spending have all taken their toll on previously ambitious plans.

Regarded as a reliable economic barometer, most parts of the industry are showing few immediate signs of recovery. Yet within the gloom which has threatened to suffocate builders a few glimmers of light can be seen breaking through the swelling ranks of unemployed construction workers and idle equipment.

Housebuilding in particular is at last on the increase. Figures released today by the Department of the Environment will show a continuing rise in the number of houses being built.

There is also evidence of improving performance by major companies. Recently Tarmac produced results ahead of market expectations with pretax profits advancing by some 19 per cent to a record £52.1m on turnover only marginally ahead at £918m.

The downside of all this is that while the building groups are looking fitter, albeit leaner, material suppliers and producers are still convalescing. Blue Circle, for example, points out how producer's margins have been under extreme pressure during the last year or so.

And the interim workload survey from the civil engineering contractors does not exactly paint a picture of health, vitality and optimism. The Federation of Civil Engineering Contractors quarterly report indicates that workload continues to decline although at a slower rate than the industry has become accustomed to since the late 1970s. What precious little confidence actually exists in among major companies is almost exclusively among those tendering for repair and maintenance contracts.

Perhaps surprisingly, when seen against the background of company results, total output in the construction industry declined by about 12 per cent last year. A level which, according to one of the leading construction analysts Savory Millin, will be maintained in the current year.

What has saved most construction groups from turning in disappointing figures has been a lower inflation rate in the industry than had been originally forecast. Most contractors had budgeted for fairly hefty rises in labour and material costs in 1981 — something which did not happen. With the exception of roof tiles most materials increased by less than the general rate of inflation.

But as Savory Millin point out the official figures disguise many of the massive discounts offered by suppliers and producers in order to maintain volume and keep down stock levels. Although official brick prices rose by around 13 per cent in 1981 the actual increase paid by end users was very much less. So, in a sense contractors were cushioned from the full effects of a poor construction year.

The gravity-defying act performed

by contractors in 1981 is unlikely to continue in 1982-83. Tender prices declined by about one per cent last year — and as the civil engineers survey points out, there are fewer invitations to tender — which would come through in company results over the next two years.

Perhaps more important will be the pressure from producers and suppliers to increase their margins and ease the financial noise which has been hanging around their necks. There is a distinct feeling within the industry that it is bracing itself for some fairly hefty price rises during the year. And of course, just as the real decline in costs was disguised last year, so official increases in 1982 are likely to be modified.

At the same time construction projects have been hitting deadlines with greater frequency. Rising unemployment in the industry has meant a freely available and willing workforce on tap. This has also had the effect of keeping wage rises in line with inflation at worst and a lot lower at best. Buildings going up quicker have had the effect of keeping finance charges under control.

Against this background at least one sector of the industry is leading the charge into long term healthier profits. In 1980 private sector housing hit an all-time low with

starts around 96,000 despite a buoyant property market. Last year saw house builders begin construction on 21 per cent more homes and this year the figure is likely to rise to about 135,000, although more optimistic industry pundits believe it may be as much as 140,000. There is even expected to be an increase in the amount of local authority housing from last year's 36,000 units to around 40,000.

## HOUSEBUILDING

	'000 units		'000 units
1973	328.5	1978	264.7
1974	252.1	1979	225.2
1975	322.9	1980	154.0
1976	325.4	1981	153.2
1977	266.9	1982	175.0*

\* Projection  
Source: Housing Builders Federation

This trend is underlined in the Department of the Environment's latest construction orders figures. Total orders for new work in the three months to February were similar to the previous quarter but 4 per cent lower than the same period a year ago. Hidden within the Government statistics was the surprising trend of public housing work which was ahead by 11 per cent over the earlier three months and a staggering 78 per cent higher than a year ago.

The recovery however is from an abysmally low level. Money allocated for this work has crashed dramatically to find its way into constant 1975 seasonally adjusted prices in 1978 to only £342m last year. This has been the direct result of Government policy to switch housing resources away from the public to private sector.

Construction companies continue to be extremely concerned about falling orders from the public sector. Although the Chancellor announced a 14 per cent increase in capital expenditure to more than £10,250m in the Budget the industry believed it was an almost meaningless rise because it was from a low base and because there has been a growing reluctance on the part of local authorities to spend money.

It is estimated that as much as £700m is kept in local authority coffers which could be available for new public works. But this money is unlikely to find its way into capital expenditure account as councils are eager to keep down current costs.

It is volume housebuilders like Barratt Developments, Wimpey, Tarmac Ideal and Bovis who can expect improved activity and profits during the present year. The sector has already undergone a major shake-up as high interest rates, falling prices and soaring unemployment destroyed complacency. For the first time builders had to go out and sell houses rather than simply build them and wait for buyers to walk on to a site.

The other glimmer on the horizon is the amount of repair and maintenance work available for companies. According to Savory Millin the outturn in this sector in 1981-82 is estimated to be £1,850m and should rise to just under £2,000m in the present year. These figures of course relate to publicly accounted contracts covering major works, but the real figure is thought to be around the £3,800m level when the less easily definable private housing repair and maintenance work is included.

Overseas the general picture is equally gloomy. Falling oil prices have meant a drastic reduction of spending on capital projects by Opec members, especially in the Middle East, Nigeria and Mexico. As our major construction and civil engineering groups like Costain and Taylor Woodrow have discovered, they must search farther afield for work and competition is becoming extremely intense as the world recession bites hard.

Even so companies like Tarmac illustrate that there is work on the international market and that it can be profitable. Materials producers such as Blue Circle received a major contribution to profits from its international division with substantial uplift coming from its operation in North America. On the home front the group is looking for further redundancies which will top about 30 per cent of its workforce since the start of the last financial year.

The worst may be over for the construction industry, but there is unlikely to be any serious rise in business over the next 18 months.

## C. Gordon Tether

### When the tail wags the dog

There is a growing demand for an inquiry into the implications for the world's financial health of the massive foreign debts some countries have been encouraged to build up by the enthusiasm of the banking community for lending them money. But the probe into the sudden indebtedness issue should not stop here.

It should also look at a closely related question. It concerns tendency for the fast rise in debt totals to create situations where the need to give priority to financial consideration in policymaking is such that the international financial tail is apt to be found wagging the international political dog.

It was reported last week that influential members of Congress, including Mr Henry Reuss, chairman of the Joint Economic Committee, were calling for hearings on the "ability of the banks to make large international loans without seriously undermining the world's financial structure".

Many commentators in this country have been making the same point — that the time may have come to impose restraints on the lending activities of the banking community.

What has attracted much less attention is the extent to which the banks' lending excesses are beginning to complicate the political decision-making process.

#### Vocal

It has to be said that there have been two occasions in recent years on which officialdom showed no willingness to allow international financial considerations to deter it from pursuing political purposes. The United States authorities established a "discussion exclusion zone" round their decision to freeze Iranian assets in retaliation for the seizure of the embassy hostages.

The British authorities have acted in exactly the same way in the Falklands crisis.

But there has not been the same readiness to exclude the foreign indebtedness factor from the debate on what attitude the West could most appropriately adopt towards the international political issues raised by events in Poland. The financial communities

on both sides of the Atlantic have been vocal about the embarrassment the Western financial system could cause if political considerations alone were allowed to dictate the West's reaction to Poland's foreign debts problem.

There are good grounds for thinking that in this instance the agitation achieved its purpose. It seems pretty clear that Western governments have been willing to help the Polish military regime cope with its foreign debts problems to a materially greater extent than they would have been if there had not been the major intervention in the matter by the international financial lobby.

#### Freezes

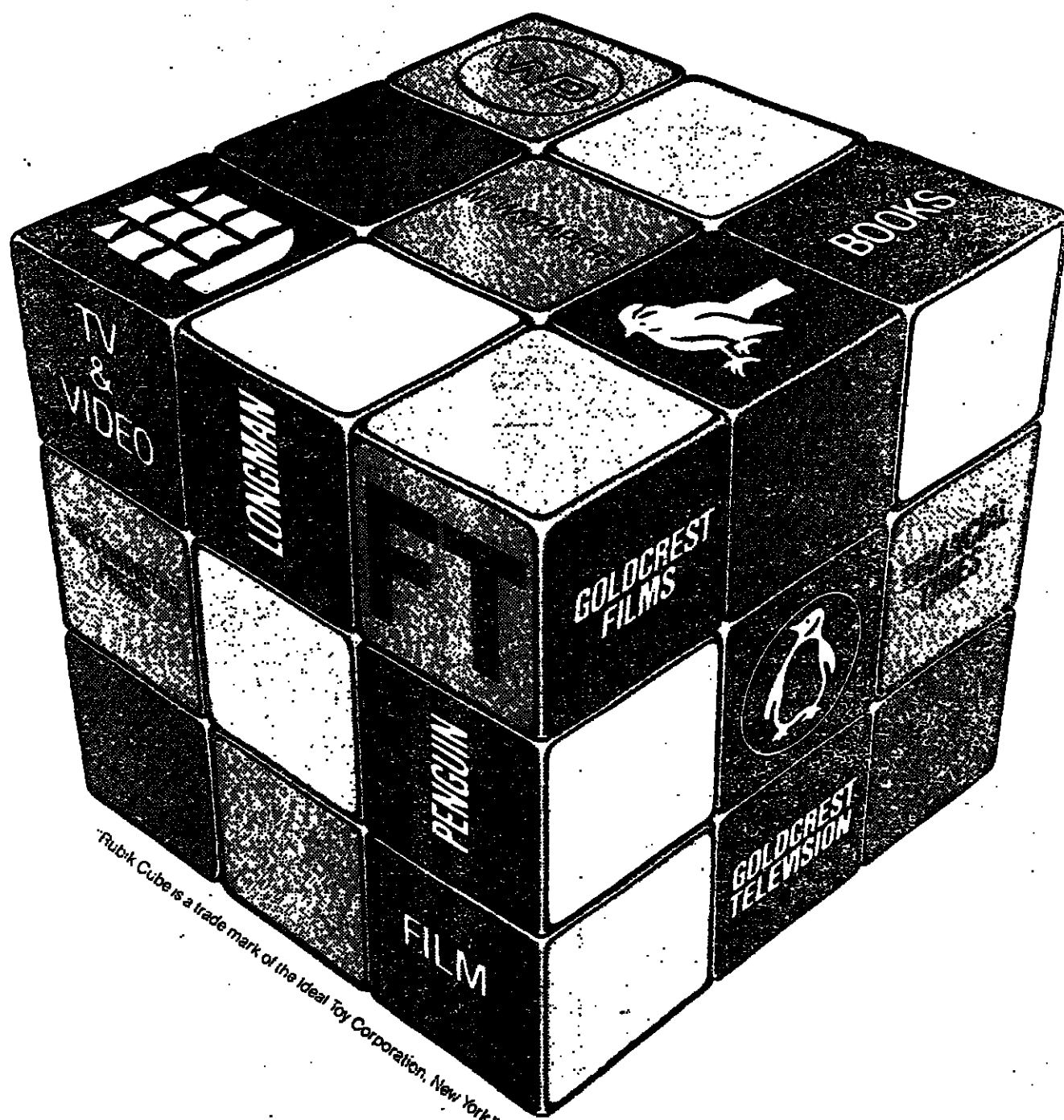
Mr Henry Wallich, one of the top men in the American central banks hierarchy, recently said that, if the United States declared Poland in default for purely political reasons, it would set a precedent that could do widespread damage to the mechanisms of international credit. Following a move, banks would have to be concerned that international credit had become "a pawn of political purpose".

It has to be conceded that the freezes imposed on the use of Iranian and Argentine assets did constitute cases of international credit being made "a pawn of political purpose". But it is certainly arguable that the attitude that has been adopted towards the Polish debts problem involves the exact opposite of that process. By being careful not to push the Poles into default for fear of the repercussions this might have on the world's monetary system, the Western countries were effectively making political purpose a pawn of international credit.

The moral of the Polish debts story is, indeed, that the greater the extent to which the international banking community is allowed to encourage countries to build up large foreign debts, the greater will be the influence on the conduct of world affairs exercised by the international financial community. This is clearly something we need to think deeply about while there is yet time.

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# Making the right moves



- Penguin and Longman both set new records
- Financial Times returns to profit as European edition passes 34,000
- Longman enters legal publishing with Oyez
- Goldcrest builds the team to lead the British film industry
- Pearson Longman starts Goldcrest Television and takes a stake in Yorkshire TV
- Westminster Press free publications now reach 1.6 million homes
- Goldcrest links with Penguin and Longman in two new video publishing ventures

In 1981 Puffin Books published 'You can do the Cube' by Patrick Bossert and Penguin Books published 'Mastering Rubik's Cube' by Don Taylor. Both were worldwide best-sellers. Goldcrest Television then produced a prize-winning video cassette featuring Patrick Bossert called 'You too can do the Cube'.

## PEARSON LONGMAN

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Please send me a copy of the 1981 Annual Report

Name

Company

Address



# Hugh Mackay

Manufacturers of Durham Carpets

Sales  
Profit (loss) before tax

At the Annual General Meeting of Durham Carpets Ltd on 27th March 1982

Mr John Mackay, Chairman

The carpet industry is a very competitive one and we have had to face a number of difficulties in the last year. However, we have managed to maintain our position and we are confident that we will continue to do so in the future.

During the year to the end of last November, Rentex had a net income of \$1.2m from revenues of \$38.7m. Share-

## Sketchley bids for US firm

Just a few days after its bid for Means, the American cleaning company, was defeated, Sketchley has offered \$13m (£7m) cash for Rentex another American cleaning and rental business.

Mr Gerald Wightman, Sketchley's chairman, said that the offer for Rentex had been considered before the unsuccessful attempt on Means. The offer for Means was worth more than \$40m. The new offer prices Rentex, a public company, at \$13 a share.

The bid for Means was defeated by the higher offer from another American company, ARA Services, but Sketchley is less likely to be thwarted this time. About 58 per cent of the Rentex equity is controlled by the Gilroy family, which has agreed to sell. Under the laws of the state of Delaware, in which Rentex is incorporated, Sketchley may compulsorily take over the remainder.

Rentex rents workwear and linen to businesses and hospitals in New Jersey, Pennsylvania, Maryland, California, Florida and Oregon. Its headquarters are in Philadelphia.

During the year to the end of last November, Rentex had a net income of \$1.2m from revenues of \$38.7m. Share-



Wightman: consistent growth record

holders' funds came to \$12.6m. Mr Wightman said that the company had a consistent growth record, and good management.

Sketchley's opportunities in Britain are limited by monopolies legislation. Mr Wightman said that Sketchley would pump extra funds into Rentex. The possibilities for providing a cleaning and rental service to large customers, such as hospitals, were particularly attractive.

## Doors open for Henderson

Tight control of costs and working capital helped industrial door manufacturer P C Henderson raise pretax profits by 70 per cent to £2.48m in the year to

February in spite of almost no real increase in sales.

Dividends for the year are being increased from 11.42p gross to 14.28p a share, with a 10.35p final distribution against the 10p minimum level forecast by the board at the time of February's £4.9m purchase of Normand Electrical.

Normand, which manufactures electric motors, was lost making at the time, but it has returned to profitability with demand improving for its products.

Henderson's traditional sliding door gear and garage door divisions performed well during the year and a strong performance from subsidiaries in New Zealand, Norway and South Africa boosted the overseas contribution to profits from 19 per cent to 29 per cent.

But the industrial door division again experienced shrinking demand in the United Kingdom and earned a lower return on capital in the past year.

The improved profits and stock reductions generated a positive cash flow of more than £2m. After adjustment for the cash element of the Normand purchase year end borrowings were less than 20 per cent of shareholders funds.

Since the year end the purchase of Normand has been completed and the executive teams of both groups are working at realizing the potential of the merger.



Tom Cowie: better returns

## Cowie Group recovers

Cowie Group, the Sunderland-based motor dealer and credit finance company led by Mr Tom Cowie, has recovered in the half year to £311,000, with pretax profits of £195,000, against losses of £135,000 last time. For the full year to September 1981, profits reached only £334,000.

Pressure on motor vehicle margins remained severe, though volumes had held up relatively well Mr Cowie said yesterday. In the half year group sales were £44m—the same as the first six months of the previous year. Sales for the year to September 1981 were £91m. The period as a whole had continued to be difficult, he said, but the group was reaping the benefits of last year's rationalization.

The motor division saw a better performance as a result of his reorganization, and not through any improvement in overall trading conditions, he said. Full year profitability was expected in the coach and travel division after a dramatic turnaround from last year, and even the hard-pressed agricultural division was showing signs of full year profitability, he said.

## Milletts improve

Milletts Leisure Shops, the Northampton-based high street retailer increased pretax profits from £840,000 to £915,000, for the year to February 1982 despite a severe fall in the trading profit to £327,000 from £605,000. This figure was after increased interest and depreciation charges as well as a £20,000 loss from the group's associate company.

Mr Alan Millett, chairman, said the second half year had shown a considerable improvement over the first half when profits slumped to £96,000 from £306,000. Sales for the year moved ahead to £17.7m against £16.6m last time. In the first half new shops were opened or re-  
re-  
re-

In the second half another new shop was opened in Cardiff. The board says the cycle of the company's capital expansion programme was substantially completed during the year.

On the stock market, second half recovery and a maintained final dividend of 5.7p gross, making a total payout of 9.9p gross, boosted the share price 3p to 101p.

## Cindico over the counter

Dealings start today on the over-the-counter market made by M J H Nightingale in the shares of Cindico, the nursery equipment manufacturer, after the placing of 700,000 shares (44 per cent of the equity) with leading institutions at 240p a share.

Cindico was founded in 1962 by Mr Richard Downs, its present chairman, since which its range of nursery products has been considerably expanded, with sales rising from £1.94m in 1976 to £6.5m in 1981.

Pretax profits in that period have risen seven-fold from £83,000 to £572,000, and with further improvements in the present year the directors are forecasting £725,000 pretax for 1982, with an interim dividend of 5.85p gross in September and a final distribution of 11.71p per share in May next year.

At the placing price that represents a gross yield of 11 per cent on an annualized basis and an historic price/earnings multiple of 13.8 times or 10.9 times forecast fully taxed earnings. It capitalizes the group at £3.8m.

The group had chosen the option of a quote on the OTC Market after comparing the cost with that of seeking a full Stock Exchange listing or a quotation on the Unlisted Securities Market, and because it meant the shares being placed with people interested in the long term future of the company, Mr Downs said.

The group hopes to increase its share of the nursery equipment market which has shown an annual compound growth rate of 21 per cent since 1976 to an estimated £70m in 1981. It is the fastest growing area of the baby goods industry and is expected to continue to grow as the birth rate increases.

## Brixton record

Brixton Estate made record profits of £6134m pretax for 1981, an advance of 56 per cent from last year's £3,923m, helped by a substantial number of rent reviews and reversions. The chairman is forecasting a similar rise this year as further reviews fall due on the group's extensive industrial property portfolio.

## BIDS AND DEALS

Datasolve, now a Thorn EMI company, has announced agreement in principle with Control Data Corporation to take over the greater part of its bureau business known as Data Plus in the United Kingdom.

The deal represents for Datasolve a valuable addition to its customer base which the company will be able eventually to incorporate into its existing operations based at Sunbury-on-Thames. Although the transfer does not include the acquisition of premises or machinery, Datasolve has agreed to offer continuous employment to all CDC staff affected.

As a result of disposal by Crown Agents of its Australian subsidiary, the Australian subsidiary of Capital and Counties will receive approximately \$8.1m in final payment for sale of its Australian assets to Crown Agents in 1978.

Feedex has agreed to purchase from Mr F. and Mrs M. Wheeler the whole of the assets of their partnership business (other than cash) for £124,523, plus stock at valuation (£250,000) and book debts at April 30, 1982 (estimated £35,000).

Wheeler are manufacturers and installers of ventilation equipment for the agricultural industry and as such the business is compatible with the existing livestock and engineering divisions of Feedex. Strength of Feedex in this sector of the market should provide considerable scope to expand and develop the business.

Thames Inv and Secs Co has completed its retail warehouse on the Duffryn industrial estate at Caerphilly. The store was pre-let to B and O retail, the D-I-Y subsidiary of F. W. Woolworth. Woolworth have taken a 35-year lease subject to 5 year rent reviews at a commencing rental of £87,500 p.a. Thames will retain the investment within its portfolio.

## WALL STREET

New York, May 5 — Stock prices moved higher in early trading as investors, largely disregarded the Fed's move to raise the discount rate. The Dow Jones Industrial Average was up 24 1/2 points, advanced 1 1/2 points in the last session and volume totalled 300 million shares.

Analysts said the market seems determined to ignore, possibly because

Wall Street is beginning to anticipate an economic upturn sometime this summer. Some investors were encouraged by the Government report that the first quarter merchandise balance of payments deficit narrowed to \$5,950m from \$6,150m in the fourth quarter. On the trading floor, K Mart was the most active issue, up 1/2 to 18 1/2. A block of 600,000 shares at 19:00 was bought up by 22 Storage Tech was third, up 2 to 22 1/2. Prices were higher in active trading of Amex issues.

# SAINSBURY'S

PROFIT UP  
35.5%

STAFF  
PROFIT  
SHARING  
£5.7m

PRODUCTIVITY  
UP 3.4%

SALES UP  
22.7%

5 MILLION  
CUSTOMERS  
A WEEK

5,600  
MORE JOBS  
CREATED

## RESULTS 1981-82

Salient points from the Statement by the Chairman, Sir John Sainsbury:

- The sales increase of 22.7% represents a volume growth of 13% with volume in existing stores up by 6%.
- We now serve more than five million customers a week, an increase of 23% over two years.
- Our prices during the last year were even more competitive than the year before.
- For the fifth year in succession our supermarkets sales per square foot at "constant prices" increased, bringing the weekly figure to £12—well over twice the average in the trade.
- Productivity in terms of sales per employee improved by a further 3.4%, bringing the increase in five years to 28.5%. This has been made possible in large part by the scale of our investment programme which last year rose to the highest ever at £126 million.

Preliminary results, unaudited—  
52 weeks to 27th February 1982

	1982 £000	1981 £000	% Increase
Sales	1,950,546	1,589,196	22.7%
Retail Profit	86,597	64,393	34.5%
Retail Margin	4.44%	4.05%	
Associates	2,497	1,368	82.5%
Profit before Tax and Profit Sharing	89,094	65,761	35.5%
Profit Sharing	5,675	3,699	53.4%
Tax	15,419	12,680	
Earnings per share—fully taxed	23.74p	17.74p	33.8%
Dividend—net for year	9.75p	7.25p	34.5%

□ There was a record profit growth of £23.3 million. Over the past four years our profit has doubled in real terms.

□ This year earnings per share (fully taxed) were up by 20% in real terms.

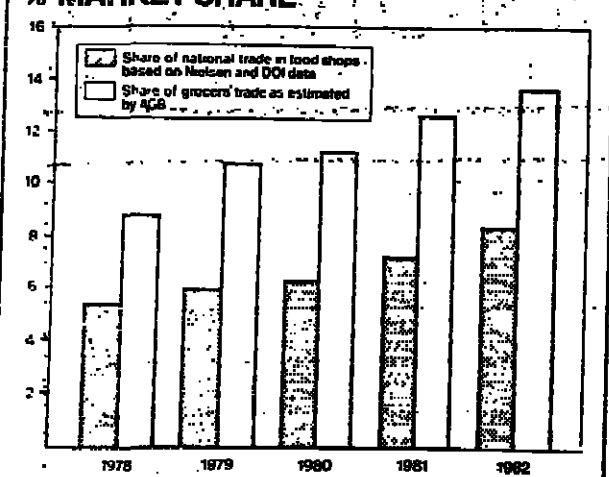
□ We shall distribute £5.7 million in shares or cash to the 23,000 staff participating in the profit sharing scheme. The total distribution in the first three years of this scheme is £11.6 million and 38% of the staff eligible to do so have opted to take shares.

□ Another record broken in 1981/82 was the amount of new selling area which was opened—the 17 new stores had a total sales area of 358,000 sq. ft.

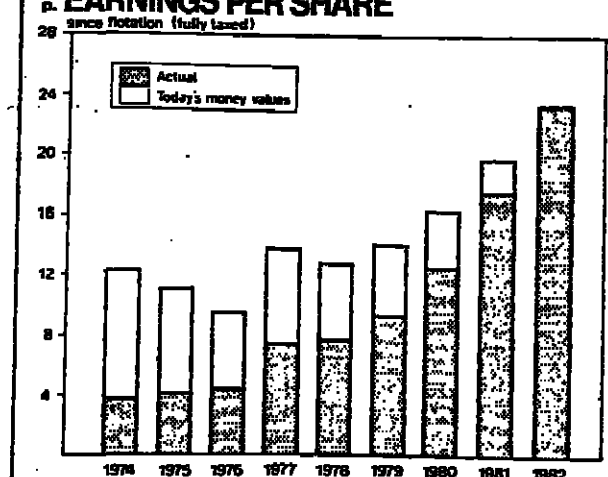
□ We have created more than 5,600 new jobs bringing the total in two years to 11,000.

□ A one for one capitalisation issue is proposed.

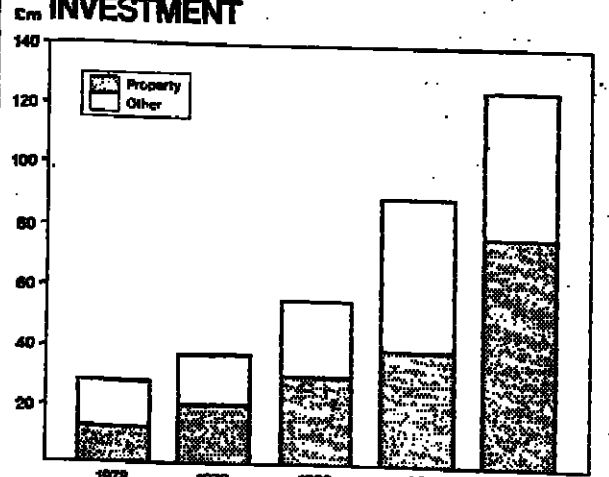
### % MARKET SHARE



### EARNINGS PER SHARE



### INVESTMENT



Good food costs less at Sainsbury's...every year.

525/1000



# Benefits of change

In his statement to shareholders, Sir Anthony Tuke said:

"Multinationals have been subjected to a great deal of criticism over the past few years, much of it ideological in origin and much of it is ill-informed. It is, however, right that corporations should review their responsibilities and make certain that their policies are correct and in tune with current thinking. It is not enough for international companies to shelter behind the laws of the country in which they invest; their responsibilities go beyond that. No government would, however, accept a foreign investor who deliberately stated his intention of flouting the laws of the land and the OECD guidelines for multinational corporations specifically enjoin those corporations to obey the laws of the countries where they operate.

If a corporation finds local conditions and attitudes unacceptable it has the option of refraining from investing in that country as it would do if the fiscal and financial climate were not sufficiently attractive. Withdrawing from an existing operation is much more difficult and may achieve little as local investors could take it over, maybe with less internationally acceptable standards and policies.

Any foreign investor has a clear responsibility to its employees and their families and, in the case of a mining company, to the local community, especially the indigenous population. The question both we as investors and the people who will be affected by a new operation must ask is, whether the benefits of a major investment outweigh the disadvantages change may bring.

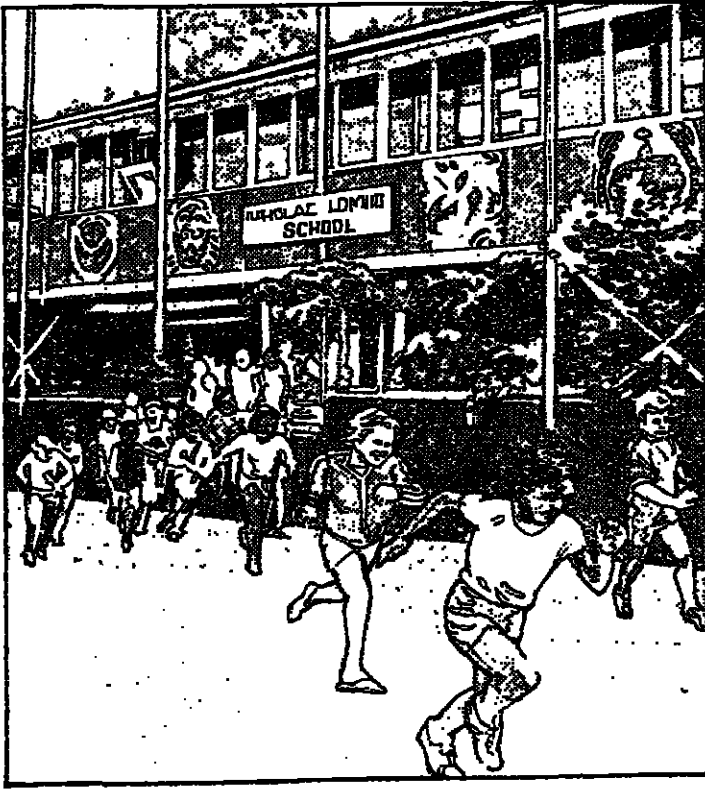
We do believe that the advantages overwhelmingly outweigh the disadvantages as we see the rising standards of living in the areas where we operate. These are evidenced by the high quality of housing, education, health and medical care, training and opportunity for advancement, as well as benefits to the wider community, especially in third world countries, of new sources of revenue and foreign exchange, together with educational and training opportunities from the independent foundations that have been established locally from the profits earned.



Growing vegetables in the back garden is one of the new skills taught by the Rössing Foundation to families in Namibia.



The highest standards of medical care are provided at group activities, particularly in less developed areas.



Educational opportunities at all levels for employees, their families and the wider community are an integral part of our operations.

## Australianisation

Some three years ago we agreed that the majority Australian ownership in CRA should be achieved over a period through the reduction of our interest to 49 per cent. This change in our shareholding will take place in the context of sound commercial development and investment and at that level our investment will have expanded in dollar terms. The authorities in Australia have been helpful and we are not under any pressure. We anticipate that during the next few years the RTZ interest will fall to 49 per cent but we do not expect any material change in the profits available to shareholders from Australia.

## Ward and Tunnel

One of the reasons for the 1980 rights issue was to enable the corporation to expand its activities in this country. The cement industry is in some ways similar to the mining industry and our successful offer for

Ward brought with it control of Tunnel: the subsequent bid for Tunnel at an agreed price has become unconditional. The management of RTZ regard the bringing together of these two important companies as a priority during the next few months.

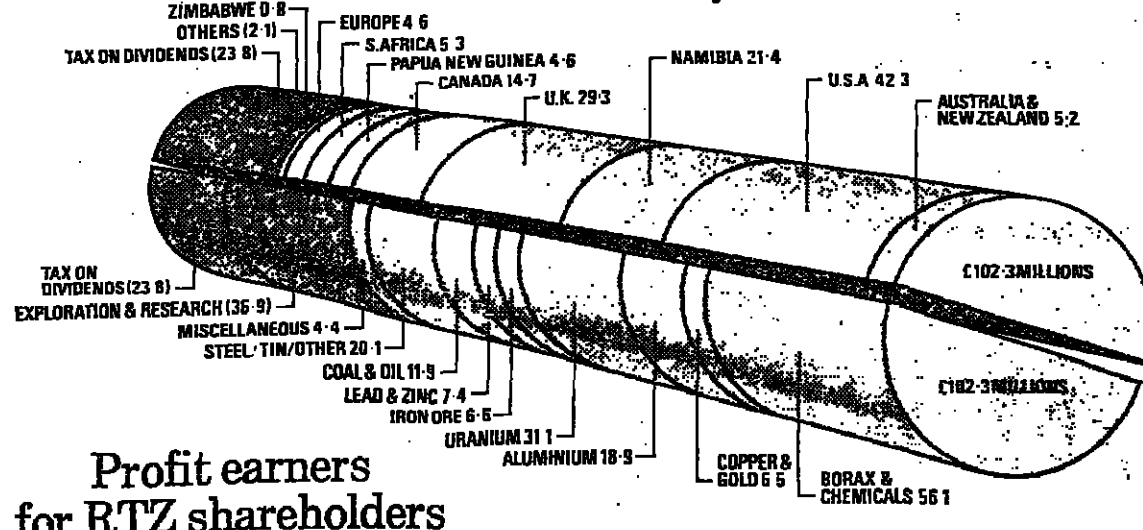
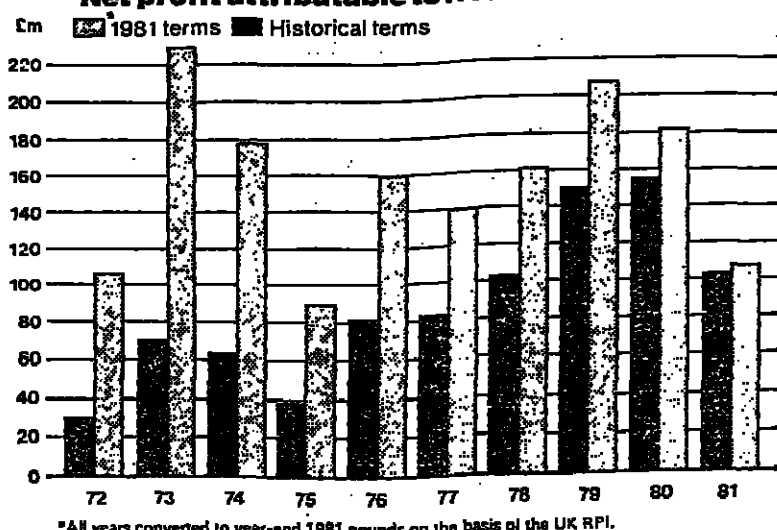
## Future Outlook

In some respects the economic forecasts of early 1982 are similar to those made a year ago but there is reason to believe last year's dismal pattern will not be repeated. Past experience suggests that prices would be unlikely to remain as weak for an extended period even if demand were to stagnate throughout the year. Hence any modest revival of final demand, or any improvement in business confidence, should fairly swiftly affect metal markets and the RTZ Group's low cost mines would benefit accordingly."

Anthony Tuke  
Chairman

If you would like a copy of the full RTZ annual report please write to: Group Public Affairs Department, 6 St. James's Square, London SW1Y 4LD.  
Fact sheets on various aspects of the corporation's activities will be available from 3rd June.

## Net profit attributable to RTZ shareholders



Profit earners for RTZ shareholders

The Rio Tinto-Zinc Corporation PLC

**RTZ**



# Babcock

## SUMMARY OF GROUP RESULTS

	1981 £m	1980 £m
TURNOVER	955.8	873.0
PROFIT BEFORE TAX	14.1	15.2
PROFIT attributable to Ordinary Shareholders	5.0	5.7
EARNINGS PER SHARE	6.1p	5.9p
DIVIDEND PER SHARE	7.0p	7.0p

Sir John King, Chairman, reports:-

- \* Strong positive cash flow.
- \* Improved operating efficiency.
- \* Currently better business outlook.
- \* 1981 dividend maintained at 7p per share.

Copies of the Annual Report may be obtained from  
The Secretary, Cleveland House, St. James's Square, London SW1Y 4LN.

**Babcock International plc**  
A LEADER IN WORLD-WIDE ENGINEERING

## Financial disruption could spread beyond Argentina

# Latin America piles up debts

In just two years time, the economic forecast for the South American and central American nations has turned from bright to bleak as the world recession has cut into exports and political unrest in a number of countries has escalated.

Now that there is the threat of a costly and possibly prolonged war involving Argentina, conditions in these closely-linked developing nations are all the more uncertain.

If the British naval blockade is extended for example, there could be severe economic consequences in other countries.

This is just one of a number of unsettling possibilities being considered by officials in international lending organizations at present reviewing the sharp deterioration in the economies of countries south of the United States border.

The Falklands conflict has spotlighted economic problems in this part of the world as it has become apparent to international lenders that a huge financial disruption in

Debts of Latin American and Central American countries, June, 1981, in millions of dollars									
Country	Total claims	Claims On:			Maturity of Claims				
		Banks	Public	Other	1 year or less	1 to 5	Over 5		
Argentina	7483.3	2464.7	2106.9	2911.7	4961.5	1897.8	623.9		
Bolivia	457.7	56.0	249.1	153.6	205.4	220.6	31.6		
Brazil	15188.4	5889.5	4788.4	4411.3	6984.3	5214.6	2880.2		
Chile	4701.3	2582.2	706.3	1412.8	2357.0	1506.4	837.8		
Colombia	2584.6	1012.4	605.4	976.7	1789.6	470.5	354.4		
Costa Rica	592.7	74.2	244.5	373.9	337.1	208.7	46.8		
Dom. Can Rep	489.9	122.3	271.0	96.4	286.1	193.9	15.9		
Ecuador	101.3	20.1	581.5	70.1	113.9	579.4	170.7		
El Salvador	241.2	21.4	20.9	198.9	148.1	86.5	6.6		
Guatemala	274.9	24.5	80.9	169.5	173.6	66.1	15.2		
Honduras	190.4	13.0	157.1	20.3	72.0	100.9	7.5		
Jamaica	18101.2	3129.8	5345.6	9626.7	10897.0	4846.9	2557.2		
Nicaragua	423.7	85.7	293.3	44.8	182.0	48.3	183.3		
Paraguay	271.1	10.1	110.2	150.7	141.5	92.6	36.9		
Peru	1763.6	702.5	811.7	269.4	1263.4	42.3	92.8		
Trinidad/Tobago	118.7	106.1	10.4	28.9	78.0	11.0	11.0		
Uruguay	1188.7	1068.1	30.5	89.9	1158.1	30.4	2.2		
Venezuela	20776.0	5325.2	7921.6	7529.0	14059.0	5313.5	103.3		

one country such as Argentina could have an adverse effect on several others. At present, there are several Latin American countries whose short term debt exposure worries World Bank and International Monetary Fund officials. They agreed to be interviewed by The Times on a background only basis.

ending March 31, Esanda is the wholly-owned subsidiary of ANZ Bank, one of the largest in Australia.

Thomson-Brandt, the recently nationalized electrical and electronics group, reported the first loss in its history and expects to remain in the red this year. The group said its 1981 consolidated accounts will show a loss of Fr180m (£16.4m) despite a 9.5 per cent increase in sales to Fr43,600m. The electronics ofshoot, Thomson-CSF and its subsidiaries, accounted for Fr80m of the loss.

as Chile and Peru which have raging inflation and sharply declining exports.

Brazil's massive, external debt — much of it due for repayment over the next year — has been cause for worry for some time and now even oil-rich Venezuela, faced with the world energy glut, is experiencing problems.

For any central American country such as Costa Rica, the situation is even worse. The United States Export-Import Bank, for example, has stopped making loans there together because the Government has been forced to ask both private and government lenders to reschedule its debt. Again, the economic problems of the war-torn countries of El Salvador and Nicaragua are better known.

Overall, economic conditions in this part of the world are more dismal than even the present June, 1981 debt figures revealed and growing worse daily in the opinion of a Latin American specialist with the United States Commerce Department.

The French group, Spie Batignolles, announced a consolidated net profit of Fr140m (£10.4m) for 1981 against Fr91m the previous year. Parent company net profit was Fr65.6m (£5.3m) and the dividend has been fixed at Fr13.50 (£1.05) a share.

The company is to raise its capital to Fr192.7m from Fr144.5m by a one-for-three rights issue of 125 a share.

Rohmwerke of Germany is proposing an unchanged 1981 dividend of Dm5.50 despite a 39 per cent drop in net consolidated earnings to Dm20.3m (£4.7m).

China has abolished the sixth ministry of machine-building and set up a new organization to streamline its ship-building industry. The reorganization is part of China's ambitious drive to slash its bloated bureaucracy.

New Zealand's balance of payments deficit was NZ\$1,141m (£496m) in the year ended March 31, compared with a deficit of NZ\$716m the previous year. Exports for the year rose 14 per cent.

Australia's gross domestic product (GDP) rose 1.1 per cent in the final quarter of 1981, down from 2 per cent in the previous quarter and the year earlier quarter's 1.2 per cent.

Switzerland's adjusted central bank money supply was 0.3 per cent higher in March than a year earlier.

Canada's General Motors of Canada is to phase out 550 jobs at two of its plants in Ontario by the end of July.

## INTERNATIONAL



## Car sales take a tumble

April sales by both foreign and United States car makers fell to an estimated 664,255 from an estimated 774,388 last April. Deliveries of domestic vehicles fell 6.4 per cent to 495,255 from 529,388 a year earlier.

A survey of leading importers' sales, however, shows that foreign car sales plunged more than 21 per cent to about 169,000 vehicles from 215,000 vehicles. On a seasonally adjusted annual basis, foreign cars sold at about 1.8 million rate, their lowest since December 1978.

It is the importers' fourth consecutive month of sales declines. The factors depressing import sales include costs, poor economic conditions, credit shortages, and a growing petrol glut that is turning consumers away from small, fuel-efficient cars.

Malaysia's economy brought on by recession abroad led to 902 bankruptcies in 1981, the highest number in a single year. The downturn also could be traced to a shortage of capital.

West Germany's sharp fall in West German petrol use came alongside a more modest 1.5 per cent decline in overall energy consumption. The share of overall energy sources held by petroleum products eased to 41 per cent in the first three months from a 1981 average of 44.5 per cent.

Belgium's trade deficit of the Belgo-Luxembourg Economic Union (BLEU) narrowed in February to provisional BelFr 12,100m (£140m) from a revised BelFr 30,600m in January and BelFr 30,800m in February 1981.

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## Institute in Soviet oil warning

Jonathan Davis, Energy Correspondent, says that Eastern European countries are likely to become significant importers of oil during the 1980s, creating a danger that the Soviet Union will adopt an aggressive policy of seeking access to Middle East oil supplies. The Royal Institute of International Affairs warned yesterday.

A paper written by Jonathan Davis for the Institute says that Eastern Europe could need to go outside the Soviet bloc for as much as 100 million tonnes of oil a year by the end of the decade — though the shortage of hard currency in Iron Curtain countries means that their actual demand will probably be limited to 50 million tonnes a year. This would be the minimum requirement for the maintenance of economic growth.

So far Eastern Europe has been cushioned by being able to rely on cheap subsidized oil from the Soviet Union, but Mr. Davis says the ability, and willingness, of the Russians to increase their oil exports — or to maintain this policy in the long run — is now in doubt.

In any case, Mr. Davis argues, "it is difficult to see how Eastern Europe will resolve its problems with or without the help of the USSR".

Even with lower world oil prices, East Europe's trade balance with the Soviet Union and its debt problems of Poland and Romania cast doubt on their ability to pay world prices for oil. "This being the case, the acquisition of increased oil supplies for Eastern Europe may become a factor in Soviet foreign policy vis-a-vis oil producing countries", Mr. Davis says — a development both for Opec countries and Western countries which take oil from the Middle East.

The Soviet Union could either opt for doing barter deals with the participants in the Iran and Iraq war once hostilities cease, Mr. Davis suggests, or they could try to put pressure on Opec countries to supply oil at concessionary prices.

On the proposed controversial Soviet gas pipeline into western Europe, the Royal Institute paper dismisses fears by the United States that this will make western Europe dangerously subject to an abrupt cutoff of supplies.

Base Lending Rates	
ABN Bank	13%
Barclays	13%
BCCI	13%
Consolidated Crds	13%
C. Hoare & Co	13%
Lloyds Bank	13%
Midland Bank	13%
Nat Westminster	13%
TSB	13%
Williams & Glyn's	13%

M. J. H. Nightingale & Co. Limited									
27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212									
The Over-the-Counter Market									
1981/82	High	Low	Company	Price	Chgs	Clas	Vol	%	P/E
130	100	Ass Brit Ind CULS	129	-1	10.0	7.8	—	—	—
75	62	Airsprung Group	73	-4	6.4	11.6	16.0	—	—
51	33	Armstrong & Rhodes	43	-3	4.0	3.6	8.1	—	—
205	187	Bardon BHL	201	-9	4.8	9.8	11.9	—	—
107	100	CCL 10.7% Conv PF	106	-1	15.7	14.8	—	—	—
240	240	Clindico Group	240	-26.4	11.0	9.7	10.9	—	—
104	61	Debonch Services	62	-1	6.0	9.7	3.1	5.8	—
131	97	Frank Horsell	128	-2	6.4	5.0	11.5	23.7	—
83	39	Frederick Parker	77	-1	6.4	8.3	3.9	7.5	—
78	46	George Blair	54	—	—	—	—	—	—
102	93	Ind Prec Castings	98	—	7.3	7.4	7.1	10.7	—
109	100	Jais Conv Pref	108	-1	15.7	14.5	—	—	—
113	94	Jackson Group	99	—	7.0	7.1	3.1	7.0	—
130	108	James Burrough	113	—	8.7	7.7	8.2	10.4	—
334	238	Robert Jenkins	238	-2	31.3	13.2	2.3	8.4	—
65	51	Scrutons "A"	55	-3	8.2	10.0	—	—	—
222	159	Torday & Carlisle	159	—	10.7	6.7	5.1	9.5	—
15	10	Twynlock Ord	14	—	—	—	—	—	—
80	66	Twynlock 15% ULS	80	—	15.0	18.8	—	—	—
44	25	Unipack Holdings	25	—	3.0	12.0	4.5	7.6	—
103	73	Walter Alexander	80	-1	6.4	8.2	—	—	—
263	212	W.S. Yates	231	—	14.5	6.3	6.0	12.1	—

# Through a difficult year with increased profits



Lord Boyd-Carpenter

The following are extracts from the speech to shareholders by The Rt. Hon. Lord Boyd-Carpenter, DL, Chairman.

In my speech last year the essence of the message which I tried to convey was my confidence that we could and would survive the combined impact of a world depression and a low level of activity in the construction industry in the United Kingdom. In hard weather it is the hardy who survive. But I certainly would not last year have dared to suggest that I expected that in 1981 we should produce higher pre-tax profits than those of 1980. Yet this is what I can now report.

I think it is useful to seek to analyse why this has been so. First we have made vigorous efforts to improve our service to customers. We have had in mind the truth of the placard which I saw recently in the plant of which we are part owners in Pennsylvania, "CUSTOMERS MAKE PAY DAY POSSIBLE". This has been successful to the extent that it helped to offset the fall in demand so far as our Company was concerned. Secondly, we have been able to contain our costs by concentrating our production effort on our energy economical new plant. This new plant has involved very heavy capital investment notably at our Rochester and Southam Works. This investment has turned out to have been well-timed. It is helping us to keep our costs down through a period of depression. And it has provided a reserve of capacity to enable us to take full advantage of the recovery when it comes.

### CEMENT MANUFACTURE IN THE U.K.

1981 began with the same low level of demand which had been experienced in the latter part of 1980. In the second half of the year there was a modest upturn but sufficient to confirm my forecast in our half-yearly statement that the reduction in Group profits in the first half of the year would be "more than offset by the end of the year". But with the severe weather in December bringing most sites to a standstill the year finished on a disappointing note.

Nevertheless, recent developments and modernisation at our works enabled the Company to meet the fluctuating demand pattern for bulk and packed cement with a high standard of service. Particular progress was made with the handling and delivery of packed cement and results fully justified the high capital cost of installing automatic loading and palletising facilities.

Since the weather improved, demand has improved with it.

### OVERSEAS

Our Australian subsidiary, Cockburn Cement Limited, has had a somewhat mixed year although its results for 1981 show an improvement on 1980 both in terms of profit and in cement and lime sales — indeed, the tonnage of cement delivered during this year was the highest since 1978. The first shipment of cement in bulk was made to the new Darwin Depot late in September last year. There is every indication that the Northern Territory will develop into an important and useful additional market for Cockburn Cement.

The Parmelia Hotel increased its contribution to the Group's profit by 40%, although half of this improvement was due to the strengthening of the Australian dollar against sterling.

In the United States, despite the effects of the present recession on the construction industry in the North East of the U.S.A., our newly acquired associated company, U.S. Cement Inc., through its 100% subsidiary, Hercules Cement Company, succeeded in improving both its sales and its share of the market.

### EMPLOYEE RELATIONS

During the late spring and early summer the cement industry as a whole

suffered a certain amount of industrial action. In spite of this, production and deliveries by your Company were not greatly affected. We are grateful to all those who did so much to maintain vital production and deliveries in circumstances which were difficult for all of us.

### THE FUTURE

Although the cement industry, like the construction industry which it serves, is far from through its troubles, I can see gleams of light ahead. Certainly your Company has never been better prepared either to endure storm or profit from sunshine. It appears that this view is shared by many investors.

There are two problems facing this Company and the rest of this industry, alleviation of which lies in the hands of the Government. Our industry is an energy intensive one. It is therefore much affected by the surprising fact that in a country which has its own abundant supplies of oil, coal, and gas, the energy used by industry should be more expensive than in many of our European neighbours who do not have such natural advantages.

The other problem is the burden of taxation, national and local. The limited lightening of the burden of national taxation contained in the recent Budget is likely to be offset by increases in the level of local rates.

Finally, I would like to thank most warmly all those in the Company whether on the shop floor or at the wheel or in the office or in the boardroom whose hard work, team-work, and experienced skill have brought us through a difficult year so well.

Boyd-Carpenter,  
Chairman.

SALIENT FIGURES		1981	1980
		£000	£000
Turnover			
United Kingdom		120,018	112,364
Overseas		24,553	16,111
		144,571	128,475
Trading Profit			
United Kingdom		14,872	14,307
Overseas		4,088	2,794
		18,960	17,101
Net Interest and Investment Income		(359)	(237)
Profit before Taxation		18,601	16,864
Taxation		3,990	2,110†
Profit after Taxation		14,611	14,754
Earnings per Share		12.1p	12.4p*
Total Dividend per Share		5.0p	4.7p

†Reduced by £727,000 release of stock appreciation relief provision.

\*Re-stated for the release of stock appreciation relief provision and the bonus element of the May 1980 Rights Issue.

Copies of the Report and Accounts containing the full speech by the Chairman can be obtained from the Secretary, The Rugby Portland Cement P.L.C., Crown House, Rugby.

# RUGBY CEMENT







# Magri the falling angel, trailing cotton-wool clouds

By Srikumar Sen  
Boxing Correspondent

A question mark as big as a Mexican hat hangs over the career of Charlie Magri, Britain's European flyweight champion. His defeat in the ninth round of his bout with Jose Torres, of Tucson, leaves the in no doubt about Magri's inability to take a punch and with some concern for his well-being should he find himself in the ring with some other Mexican with a whiplash punch.

Admittedly any blow well placed on the point of the chin will flatten most men but the blow that put Magri's future in danger was not a classic knockout blow. It landed full on the right side of the head and rather high. Down he went.

Nor is Torres a hard puncher. Which must have been more than a little disturbing for friends and followers and British Boxing Board of Control officials alike.

Particularly alarming was how much Magri's boxing has fallen off. He seems perpetually to be fighting his way through a huge cloud of cotton-wool. At this level he does not seem to be able to control a bout and more often than not finds himself being bullied against the ropes.

As after every contest the board will be looking at Magri's performance together with those of others who took part in Tuesday's show at Wembley Arena. Since the boxer's welfare comes first with the board, I am sure they will think hard about Magri's future.

Magri and his manager, Terry Lawless, are also pondering the matter. In the meantime Magri must automatically have a enforced 21 days rest from boxing. After that, as is customary, he will be given a complete neurological check.

I hope that after that period he will not feel inclined to defend his European title against Enrique Cul, of Spain, whom he stopped in one round in 1981. He may have to go abroad for that, as not many people would pay to see another one-round contest in London. Boxing in Spain will do his confidence no good. Besides, if he wins he may feel like climbing back up the world rankings. From fourth he will either fall to the bottom of the top 10 or fade out of the picture. That will do him no good, either.

Tony Sibson is to take three months' rest after his successful European middleweight title defence against Jacques Chénou, of France. Sibson has a suspected broken metacarpal in his



Magri: Rest and checkup

right hand and his arm is in plaster. He was not impressive but in view of his damaged hand he could be excused.

He is likely to be back in action in September against the tough Syrian, Mustapha Hamsho, Sam Burns, Sibson's manager, said. "When Mickey Duff suggested a fight with Hamsho I took it with both hands. Sibson cannot get to Hagler until the end of the year and if he cannot beat Hamsho he should not be fighting Hagler, anyway."

Rudi Koppmann's defence of the European light-heavyweight title against Christiano Cavina has been postponed for a second time. The Dutchman will meet the Italian in Montecatini Terme, near Florence, on June 2.

## Hearn's injury delays challenge

The world middleweight title fight between the champion, Marvin Hagler, and Thomas Hearns will be postponed from May 24 because of an injury to Hearns' finger. Emanuel Steward, Hearn's manager and trainer, said he believes July 15 is the date for which the bout could be rescheduled.

Hearn, a volunteer auxiliary police officer, injured the finger about 10 days ago when he fell after training at the Detroit police department gymnasium. The former World Boxing Association welterweight champion is still in his sparring work-out, but the finger apparently became infected, Steward said. Hearn was due to meet Hagler in Windsor, Ontario. — AP.

## RUGBY UNION

# Wakefield, the cocks of the north, are crowing

By David Hands

The decision of the Rugby Union to shelve plans for a projected national league system for at least five years may give a somewhat enhanced emphasis to the final regional merit tables. Voting by member clubs in the RU questionnaire on the subject showed a slim majority — 355 against 345 — against leagues although it is possible that some senior clubs may have more than one vote on this particular bone of contention.

Meanwhile Wakefield have cause to crow over their jump from twelfth place in the Northern merit table to the head. Last year Gosforth led the north with a 100 per cent record; this year they gave best Wakefield, who made it something of a local double by beating Sheffield in the final of the Yorkshire Cup.

Wakefield's success — their only triumph against Eynon — is the culmination of a reorganisation of their playing strength over the last five years and it is a comforting thought that only three of the leading teams are over 28. Robin Foster, their secretary, attributes their fine season to an outlook which is almost South Wales. "All the children in whatever school round here play with an oval-shaped ball, whether they are directed towards Rugby Union or Rugby League", he said yesterday.

Some of those maturing youngsters helped Yorkshire to a surprise win over Lancashire — ultimately the county champions — this season and one of them, the wing Harrison, received a final England trial. Harrison and the other wing, testimony to the fluid style of play cultivated by Wakefield and their panel of coaches, headed by a deputy headmaster at the Silcoates School, Mike Elford, who is to coach the senior Yorkshire side next season in succession to Alan Old.

Not that all is sweetness and light in Yorkshire circles. The Northern major clubs are still waiting for the RU's reply to a letter expressing some concern that the only Yorkshire club to be selected for the new Senior

Clubs Association was Headingley, whose playing record this season, and for several seasons past, does not compare too favourably with those of clubs such as Wakefield or Roundhay.

Giving point to the argument is the position Headingley occupy in the Northern merit table proper, to which they were promoted only this season. Lying second from bottom, they have more than made up for this to the qualifying table.

Farther south, London Irish jumped from seventh to first in the London merit table but in the Midlands and the South-West the same teams, Leicester and Bristol, have yet to be dislodged.

## Final tables

LONDON DIVISION										
	P	W	D	L	F	A	P	P	P	P
London Irish	7	6	0	0	115	55	70.00			
London Welsh	6	7	0	0	218	88	75.00			
London Scottish	6	7	0	0	218	88	69.76			
Worcester	5	5	0	0	218	88	62.50			
Blackburn	4	5	0	0	409	80	56.56			
Blackpool	3	5	0	0	481	112	55.58			
Blackburn	3	5	0	0	481	112	50.00			
Blackburn	3	5	0	0	481	112	50.00			
Blackburn	3	5	0	0	481	112	50.00			
Blackburn	3	5	0	0	481	112	50.00			

## SOUTH-WEST DIVISION

	P	W	D	L	F	A	P	P	P	P
Bristol	6	4	0	0	119	45	87.50			
Gloucester	6	4	0	0	182	41	80.00			
Exeter	6	4	0	0	182	41	75.00			
Cardiff	6	4	0	0	182	41	75.00			
Cardiff	6	4	0	0	182	41	75.00			
Cardiff	6	4	0	0	182	41	75.00			
Cardiff	6	4	0	0	182	41	75.00			
Cardiff	6	4	0	0	182	41	75.00			
Cardiff	6	4	0	0	182	41	75.00			
Cardiff	6	4	0	0	182	41	75.00			

## NORTHERN DIVISION

	P	W	D	L	F	A	P	P	P	P
Wakefield	4	7	0	0	112	102	87.50			
Gosforth	4	7	0	0	112	102	87.50			
Liverpool	11	7	1	0	214	109	88.18			
Oncl	10	6	0	0	414	90	60.00			
Doncaster	10	6	0	0	414	90	60.00			
Doncaster	10	6	0	0	414	90	60.00			
Doncaster	10	6	0	0	414	90	60.00			
Doncaster	10	6	0	0	414	90	60.00			
Doncaster	10	6	0	0	414	90	60.00			
Doncaster	10	6	0	0	414	90	60.00			

## North Midlands Table

	P	W	D	L	F	A	P	P	P	P
Leeds	10	4	0	0	6	40	50.00			
Leeds	10	4	0	0	6	40	50.00			
Leeds	10	4	0	0	6	40	50.00			
Leeds	10	4	0	0	6	40	50.00			
Leeds	10	4	0	0	6	40	50.00			
Leeds	10	4	0	0	6	40	50.00			
Leeds	10	4	0	0	6	40	50.00			
Leeds	10	4	0	0	6	40	50.00			
Leeds	10	4	0	0	6	40	50.00			
Leeds	10	4	0	0	6	40	50.00			

## SPORT IN BRIEF

# Sports minister says under-used facilities abound

Emphasising that the government would not be encouraging further large scale development of recreation centres, the Minister for Sport, Macfarlane, yesterday opened an international sports conference at Wembley with the statement that the country was "rich in under-used facilities". Norman Fox writes.

Speaking largely to representatives of recreation and leisure services, some of whom questioned whether it was necessary to expect their facilities to be profitable, Mr Macfarlane said there was a "myriad" of potential facilities available at no great cost.

He cited education establishments, which generally closed at 4 pm, and privately owned sports grounds. Asked to relate that to his government's alleged policy of reducing under-used school playing fields, he denied that they were actively encouraging the selling of the facilities.

The conference, at the Wembley Conference Centre, is being held in conjunction with a trade exhibition opened yesterday by the Olympic champion, Sebastian Coe. He said that at a difficult period economically, and with leisure time available all over the world, it was important for people abroad to utilise British "technical know-how".

## SWIMMING

# Another kind of marathon for New Zealander

Sandra Blewett, a marathon swimmer from Auckland, New Zealand, who has twice been advised after serious illness or injury that she would not be able to swim seriously again, plans an assault on various European venues during the summer, David Hands writes.

Miss Blewett, aged 32, who has been living in this country for the past three years, hopes to make her third attempt on the Channel as well as the little-known 60-mile Lake Geneva swim and the crossing of the Straits of Gibraltar, if she can find a sponsor.

Eight years ago, on her first Channel swim, she slipped discs in her back so badly that her medical advisers suggested she should give up swimming. But she has come back from that, and from a serious liver complaint, to continue her love affair with marathon events, even though the trend these days is to undertake running at this classic distance.

Miss Blewett, who is a swimming coach but currently lives in Folkestone and works as a cashier on board cross-Channel ferries, hopes to undertake distances which have not in the past proved popular. At least her present job allows her to get across the Channel, even if it is on the water rather than in

# La creme de la creme

PARTNER'S SECRETARY — PRIVATE CLIENTS  
LEADING CITY SOLICITORS

£7,000 +

We invite applications from well-educated and polished secretaries, aged 21-45, ideally with previous legal or City experience to assist a busy partner in his interesting private client work.

Excellent shorthand typing skills will be needed to cope with the high volume of work, but there will be plenty of opportunity to use initiative and liaise with clients. A cheerful organised and responsible attitude to work is essential.

Friendly office environment within the City. Initial salary will be negotiated according to ability and experience to attract the right candidate. Other benefits include LV's season ticket loan, subsidised BUPA and 4 weeks holiday.

Telephone for an application form to Miss Jane Amos — 01-236 7411.

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(JESUS said)... I am come that I might have life and that they might have it also eternally. John 10:10

**BIRTHS**  
ACMEW. — On April 29th at St. Vincent's Hospital to Mr. and Mrs. Anthony Edward, a son, Anthony Edward. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
BRADLEY. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Bradley, a son, John Bradley. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
BUCKLEY. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Buckley, a son, John Buckley. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
CARROLL. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Carroll, a son, John Carroll. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
CARTER. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Carter, a son, John Carter. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
CLARKE. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Clarke, a son, John Clarke. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
COOPER. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Cooper, a son, John Cooper. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
DAVIES. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Davies, a son, John Davies. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
EDWARDS. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Edwards, a son, John Edwards. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
FERGUSON. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Ferguson, a son, John Ferguson. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
GIBSON. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Gibson, a son, John Gibson. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
HARRIS. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Harris, a son, John Harris. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
HUGHES. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Hughes, a son, John Hughes. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
JONES. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Jones, a son, John Jones. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
KELLY. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Kelly, a son, John Kelly. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
LEWIS. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Lewis, a son, John Lewis. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
MILLER. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Miller, a son, John Miller. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
MURPHY. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Murphy, a son, John Murphy. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
NEEDHAM. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Needham, a son, John Needham. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
O'NEILL. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John O'Neill, a son, John O'Neill. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
PARKER. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Parker, a son, John Parker. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
ROBERTS. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Roberts, a son, John Roberts. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
SMITH. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Smith, a son, John Smith. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
TAYLOR. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Taylor, a son, John Taylor. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
WATSON. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Watson, a son, John Watson. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
WILLIAMS. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Williams, a son, John Williams. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
WYATT. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Wyatt, a son, John Wyatt. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.  
YOUNG. — On May 3rd at St. Vincent's Hospital to Mr. and Mrs. John Young, a son, John Young. Weighing 7lb 10oz. Length 19 1/2 inches. Head 13 1/2 inches. Feet 10 1/2 inches. A healthy baby. Father and mother both well.

**DEATHS**  
JAMES. — On May 4th, 1982, at St. Vincent's Hospital, London, after a long illness, James, aged 78, of 12, St. Vincent's Road, London. He was the husband of the late Mary James. He is survived by his wife, Mary, and his children, John, Mary, and Peter. He was a member of the St. Vincent's Church. He was buried in the St. Vincent's Churchyard on May 6th, 1982.

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## Death penalty vote on Tuesday

By Anthony Bevins, Political Correspondent

The House of Commons is to be given the opportunity to vote for the return of capital punishment next Tuesday.

It was revealed last night that the Criminal Justice Bill is to be given three days for its report stage, providing the Falklands emergency does not force a rearrangement of parliamentary business, and that capital punishment would be allocated the first full day of debate.

This decision will be announced in the Commons this afternoon.

Mr William Whitelaw, the Home Secretary, has already expressed the hope that Mr George Thomas the Speaker will group the four new clauses containing capital punishment options, with four separate divisions to take place at the end of debate, at 10 pm on Tuesday.

Three original new clauses tabled by Mr Vivian Bandal, Ilford, North, and Mr Edward Taylor, Southend, East, propose the death penalty for terrorism involving loss of life, for murder of police and prison officers, and for murder committed in the course of robbery and burglary, involving the use of firearms.

Since then a group of senior Conservative backbenchers have tabled a more general new clause, stating: "A person convicted of murder shall be liable to capital punishment."

The last death penalty vote in July, 1979, opposed the punishment by 362 votes to 243.



The Street turns out for the Queen

The new old houses in Coronation Street were decked out in flowers and hunting yesterday for a visit by the Queen and Duke of Edinburgh. Behind the colourful exterior, however, was a homely concern for Prince Andrew, serving as a helicopter pilot with the Falklands task force.

On all sides the Queen was asked about her son and she told Mr Hugh Lee, the Lord Mayor of Manchester: "It is a very anxious time for us all."

During their visit to the newly-built television set for the Queen, the Queen and Prince Philip met the cast's

regulars as, above, are seen chatting to Len and Rita Fairclough (Peter Adamson and Barbara Knox) while Elsie Tanner (Pat Phoenix) looks on.

The new location for the long running TV series in a former railway yard near the

Granada TV centre in Manchester. It was completed only a week ago to replace the former outside set a short distance away which was not regarded as authentic enough. The Queen is reported to be a regular watcher of the series.

## Bishops condemn Polish police

From Roger Boyes, Warsaw, May 5

The Polish Roman Catholic Church today strongly criticized the Government's handling of Monday's violent demonstrations in the country and made it clear that it expected substantial concessions before a lasting national agreement could be found.

"The state will be able to fulfil its task only when it enjoys public support — only then will the common building of a jointly drafted programme be able to get under way," the country's bishops declared in a statement issued today.

However, the church leadership showed that it was at least ready to maintain a semblance of a dialogue with the martial law authorities and pressed on with a scheduled meeting of the joint consultative government-church council. Church sources said that the meeting was unusually short and to the point. This was reflected in the conciseness of the communiqué which said little more than that both sides had "expressed their concern about the social situation in Poland."

Church sources say that senior clergy have been complaining bitterly about police behaviour on Monday, both towards their parishioners and towards church property. Zamość riot police threw tear gas canisters into at least two churches to force out demonstrators claiming sanctuary.

The bishops praised last week's concession made by the Government in terms of easing martial law.

## Frank Johnson in the Commons

### Decency and restraint overcomes the House

A decent restraint was observed by most of the commons when, as he promised when breaking the news to the House late the night before, Mr Nott rose to make a fuller statement about the last hours of HMS Sheffield.

Decent restraint has not come easily to some Members these last four weeks. Some have had difficulty being decent. Others have had difficulty being restrained. Mr Ian Mikardo, the perennial Labour left-winger, for example, is one of those who have not been up to either. During Mr Nott's appearance the night before, some of us had sat in the gallery repelled as he had triumphantly asked the Secretary of State for Defence whether, after the loss of the Sheffield, the Prime Minister "is still in the habit of rejoicing." He was quoting from Mrs Thatcher's reaction to the blackless refuelling of South Georgia. Stuff so vile and crude boded ill for yesterday's exchanges as Chamber and galleries began to fill. Mercifully we heard no more of it. No doubt it will be heard again in due course, but yesterday's darkest enemies.

Mr Nott had little to add. He named the dead Harrier pilot. He put the number of missing at 30. Next of kin were being informed. He said that the thoughts of the whole House were with them. Mrs Thatcher, seated next to him, was as pale as she had been when she sat in the same place, alongside the same Minister, at 11.00 clock, previous evening. Sometimes her gaze was lowered. Sometimes it scanned the Labour benches, looking with horror for some lurking Mikardo.

Twenty-four hours before this appearance in the Chamber, yesterday, 24 hours almost to the minute, Mrs Thatcher had made a fateful remark to Mr Foot. He had contrived to suggest that the sinking of the General Belgrano had put British lives at risk, as if that risk were not already inherent in the very sending of the task force which he had supported. She had told him that she had to "live hourly" with the worry that the Argentines "might get through." That was the way British lives would be put at risk. Her wording gave a suggestion that she believed it a danger, not something really likely. But now that hour had come, and here

she was sitting on the front bench again, looking as if she was in a dream and perhaps wishing that she was.

Mr Alan Clark, a Tory who represents the constituency of Plymouth, Sutton, asked Mr Nott to assure that wherever possible next of kin would hear of these events before the news was released. And would it not be preferable for an officer to visit the relatives, to ensure that there was no immediate hardship, to explain entitlements? It was curiously right that so mundane a question — with its bleak reference to "entitlements" — and to the proprieties to be observed on these occasions — should have been the first from the back benches, heard while the House was still tense and silent. It fittingly depicted a world of misery inescapable from the military venture to which the House rightly gave its near-united support when the task force set sail.

Mr Pym, the Foreign Secretary, made a statement about the diplomatic aftermath. He was rather more interested in the United Nations than he had been a few days ago. By the time Mr Pym sat down, the impression was that the men of peace and negotiation were soon going to have their advice put to the test.

Mr Healey, the shadow Foreign Secretary, rose. He has been a party politician nearly all his adult life. He knows no other trade. He has continued to practice it over this last month. But he is also a man who can tell when an occasion is inappropriate to his professional skills.

Associating the Labour Opposition with the tributes paid to the lost British servicemen, he said that they "gave their lives in the defence of the principle which is regarded as of great importance by all members of the House."

There was a cheer at this, but rather from the Tories than from Mr Healey's own party. Admittedly, the shadow Foreign Secretary wandered off into a question to Mr Nott about the relative positions of the Belgrano and the British task force, a question designed to prove a point which Mr Healey had tried to score off Mr Nott the previous day. Mr Healey, being mortal, was not perfect, even on this day.

## How HMS Sheffield was hit

By Hugh Noyes, Parliamentary Correspondent

Continued from page 1

aircraft, although this was not certain. That was possibly the reason why the attack was with Exocet missiles. The Sheffield was armed with Sea Dart missiles of the latest kind. These were an air defence weapon and were not very successful against incoming missiles of a particular kind. It was known why the Sea Dart system did not successfully engage the aircraft but it was possible that it came in very low, under radar cover.

Mr Nott also named the

pilot of the Sea Harrier lost in the attack on the aircraft at Port Stanley as Lieutenant Nicholas Taylor.

Mr Denis Healey, Opposition spokesman on foreign affairs, was cheered by MPs on both sides of the Commons when, in paying tribute to the courage of the Harrier pilot and the crew of the Sheffield, he said they had given their lives in the defence of a principle that was regarded as of great importance by all members of the House.

A Ministry of Defence spokesman said last night that they were aware of but would not confirm reports that the main Argentine fleet was outside the 200 mile Military Exclusion Zone and heading back towards Argentina, but that two Argentine submarines remained inside the zone.

There was no further news of either the casualties or the survivors of HMS Sheffield and little enough of the ship itself except that she was still afloat.

## Britain favours Peruvian initiative

Continued from page 1

The main attraction for the British of the Peruvian proposal is that they contain the elements of a three-point package which would be acceptable to Britain. These are: the mechanics for a withdrawal of Argentinean forces from the islands; the establishment of an interim administration on the islands; and negotiations for a long-term solution without prejudging the sovereignty question.

Another attraction of Peruvian involvement in finding a

diplomatic solution is the warm relations which exist between Lima and Buenos Aires. This could mean that a solution put forward by Peru would be more palatable to the Argentines than one proposed by the Americans who are now openly siding with the British.

The British regard Mr Haig's role in any settlement effort as being absolutely essential. "We favour the Peruvian initiative because they are working very closely with Mr Haig," one British diplomat said today.

But Argentine sources say Mr Haig is regarded in

Buenos Aires as totally discredited since the United States has sided with Britain. However, they say Argentina is beginning to have second thoughts about President Belandue Terry's peace initiative.

## Fans mourn

Portsmouth and Exeter City fans stood in silence for one minute before their Third Division football match, in tribute to the sailors who died aboard HMS Sheffield, which was based in Portsmouth.

## THE TIMES INFORMATION SERVICE

### Today's events

#### Royal engagements

The Duke of Edinburgh attends Game Conservation International Convention, Church Hotel, Portman Square, W1, 9.15; as Admiral of the Royal Naval Sailing Association, presents prizes for Whitbread Round the World Race, Porten Room, Whitbread Brewery, Chiswell Street, EC1, 5.30; later as Senior Fellow, Fellowship of Engineering, attends New Fellows Dinner, Apothecaries Hall, Black Friars Lane, EC4, 7.45.

Queen Elizabeth the Queen Mother visits exhibitions mark-

ing centenary of Royal Cambrian Academy of Art at Conway and Llandudno, N Wales, 12.30; Princess Margaret visits Becton Dickinson factory, Plymouth, 10.45.

The Duke of Gloucester opens Chester-le-Street Civic Centre, Durham, 11.40; opens Royal Mail House, Darlington, 3.

The Duchess of Gloucester attends London Sunday School Appeal Concert, St James's Palace, 7.25.

Exhibitions in progress

Watercolours, oil paintings and sculpture by the artists of the Hatfield Road Group, City Museum and Art Gallery, Bethesda Street, Hanley, Stoke-on-

Trent, Mon to Sat 10.30 to 5, Wed 10.30 to 8 until May 15).

Leaves Never Grows on Trees, four prints from Max Ernst's *Histoire Naturelle*, Billingham Art Gallery, Mon to Sat 10 to 5.30 (until May 22).

Late Sackler paintings, Wolverhampton Art Gallery, Lichfield Street, Wolverhampton; Mon to Sat 10 to 6 (until May 23).

Stamps, covers and photographs depicting sailing ships of the world, Maritime Museum, The Quay, Exeter; daily 10 to 5 (until December 31).

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Objects Human Scale: contemporary Australian jewelry and ceramics, City Art Centre, 2 Market Street, Edinburgh; Mon to Sat 10 to 5 (until May 15).

Replica Crown Jewels, Chapter House, Guildhall, Cathedral; Mon to Sat 10 to 5.30, Sun 1 to 5; late opening Wed 6.45 to 8.30 (until June 29).

Paintings by Helen Wilks and glass pieces by Sam Herman, Bridge Street Gallery, 7a Bridge Street, Bath; Mon to Sat 10 to 5.30 (until May 29).

Back by Sea, Seldon, Falmouth Art Gallery, The Moor, Falmouth; Mon to Fri 10 to 1 and 2 to 4.30 (until May 21).

Images of Reality: photographs tracing the background of the Blackfoot Nation, Captain Cook Birthplace Museum, Stewart Park, Marion, Middleborough; 10 to 6 daily (until June 11).

Talks, lectures

Why does the horn point backwards? Lectorial in aid of Bourne-mouth Orchestra Appeal Fund, by Christopher Martin and James Crump, Arts Centre, Weymouth, 7.30.

The Revolutionary Requirement of Christianity Today, by Lord Soper, Great Hall, Magee University College, Londonderry, N Ireland, 8.

Music

Concert by London Mozart Players, Colston Hall, Colston Street, Bristol, 7.30.

Recital by Deborah Dales (soprano) and Diane Stewart (cello), United Reform Church, Hailgate, Doncaster, 7.30.

Sporting fixtures

Cricket: Full county championship programme (11.0), page 23.

Racing: Flat meetings at Salisbury (1.30) and Chester (2.15); NA at Huntingdon (2.30).

Rugby League: Second division, Hunslet v Oldham (7.0).

Golf: WPGA tournament, Woburn; Northern Open, at Cruden Bay, Aberdeen.

Snooker: World championship, Sheffield (11.0, 3.15 and 7.30).

Speedway: England v United States, Ipswich (7.30).

Parliament today

Commons (2.30): Debate on economic and employment prospects in Wales.

Lords (3): Epson and Walton Downs Regulations Bill, second reading Administration of Justice Bill, report, second day. Debate on state aid to agriculture.

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### New books — fiction

This is a personal selection of important, interesting, noteworthy, or enigmatic novels just published, arranged alphabetically rather than in any order of merit or price.

A Chain of Voices, by Andre Brink (Faber, £7.95)

A Standard of Behaviour, by William Trevor (Abacus, £1.95)

Gentlemen Prefer Blondes, by Anita Loos (Picador, £2.95)

Headlights, or The Germans are Dying Out, by Gunter Grass (Secker & Warburg, £6.95)

Lady'smaid, by Jane Gillespie (Hale, £7.25)

Midsummer Night Madness, by Sean O'Faolain (Penguin, £2.95)

Of Mortal Love, by William Gerhardie (Penguin, £2.95)

Returning, by Edna O'Brien (Weidenfeld & Nicolson, £6.50)

Thanksgiving, by Terry Coleman (Hutchinson, £7.95)

The House of Cards, by Leon Garfield (The Bodley Head, £7.50)

The Internal Desire Machines of Doctor Hoffman, by Angela Carter (King Penguin, £2.25)

The Voyage of the Destiny, by Robert Nye (Hamish Hamilton, £8.50)

### National Stamp Day

This week is National Stamp Collecting Week, and today is National Stamp Day, marking the anniversary of the first issue of the Penny Black, the world's first adhesive postage stamp.

The Covent Garden Stamp Festival, in Covent Garden Market, runs until Saturday, and includes philatelic displays and a dealers fair.

An exhibition of stamps designed by Edmund Dulac opens today at the National Postal Museum, King Edward Street, ECI (Mon to Thurs 10 to 4.30, Fri 10 to 4, until May 28).

Anniversaries

Births: Maximilien Robespierre, Arras, 1758; Sigmund Freud, Freiberg, Czechoslovakia, 1856; Rudolph Valentino, Castellaneta, Italy, 1895.

Deaths: Alexander von Humboldt, German scientist and explorer, Berlin, 1859; Henry David Thoreau, Concord, Mass., 1862; Paul Gauguin, Tahiti, 1903; Edward VII, London, 1910; Lord Frederick Cavendish and Thomas Burke were murdered by Irish nationalists, in Phoenix Park, Dublin, 1882.

BBC booklet

The revised BBC facts and figures 1982 booklet, giving information about the television service to take account of the licence fee increase and explaining how the money is spent, can be obtained from Information Services - Television, Television Centre, Wood Lane, London W12 7RJ (enclose s.a.e.).

The pound

Australia \$ 1.76

Austria Sch 31.00

Belgium Fr 33.50

Canada \$ 2.26

Denmark Kr 14.75

Ireland Pt 1.25

France Fr 11.32

Germany Dm 4.36

Greece Dr 116.00

Hong Kong \$ 10.75

Italy Lira 2375.00

Japan Yen 448.00

Netherlands Gld 4.53

Norway Kr 11.22

Portugal Esc 131.50

Spain Ptas 168.25

Sweden Kr 10.86

Switzerland Fr 3.46

USA \$ 1.85

Yugoslavia Dn 98.00

London: The FT Index closed down 8.8 at 575.4.

### The papers

Calling for an immediate ceasefire and suggesting a United Nations trusteeship in the Falklands, the Daily Mirror says: "Too many brave men have already died... in the wake of death, peace should be given a real chance."

The government must pursue discussions leading to a ceasefire, but not at the price of a self-out, says the Morning Telegraph, Sheffield, which would be a "shameful betrayal" of sailors who have already died.

Le Monde said yesterday that Mrs Thatcher "in defence of principles gives way neither to a sense of proportion nor to the necessary balance between force and diplomacy."

The Frankfurter Rundschau feels "the aggressive force of British 'self defence' recalls the days of Empire", while the Kölner Stadtanzeiger calls on the Allies to oppose "this dangerously escalating British operation."

The Washington Post called on Britain and Argentina to stop the shooting and resume negotiations, saying casualties should not be allowed to inflame passions and obscure the possibility of further mediation.

Roads

London and South-east: Roadworks in Richmond town centre, congestion on A316, Chertsey Road, A40: Roadworks between Ealing and Denham. M3: Lane closures between junctions 3 (Bagshot) and 4 (Farnborough).

Wales and West: A358: Roadworks E of Taunton. A38: Lane delays W of Wellington, Somerset. M4(MS): Roadworks and lane restrictions at Almondsbury interchange, near Severn Bridge.

Midlands: A625: Closed at Marn Road, Derbyshire; diversion. M5: Lane closures between junctions 7 and 8 (Ross-on-Wye). M1: Only hard shoulder open southbound between junction 16 (Nottingham) and Trowell service area.

North: A59/A629: Roadworks at Skipton, N Yorkshire. A1/A6136: Lane closures on Catterick by-pass, N Yorkshire. A6072: Delays likely on Hestonington by-pass, Co Durham.

Scotland: M8: Lane closures near junction 5. A77: Temporary signals N of Cairnryan, A1: Only one lane in use with temporary signals E of Haddington, E Lothian.

Information supplied by the AA.

## Weather forecast

The cold showery air stream will persist.

6 am to midnight

London, SE, cent S, E England, East Anglia, E Midlands, Channel Islands: Becoming rather cloudy with showers of longer outbreaks of rain, but clearer and drier later, winds variable becoming mainly W. Light. Max temp 9 to 11C (48 to 52F), frost early.

W Midlands, cent N, NE England, Wales, Edinburgh and Dundee: Rather cloudy with some showers, sunny or clear periods developing, becoming mostly dry, winds backing slowly SW, moderate becoming light; max temp 8 to 10C (48 to 50F), frost in places early.

SW, NW England, Wales, Lake District: Sunny or clear intervals, scattered showers; max temp 8 to 10C (48 to 50F), frost in sheltered places early.

Glasgow, Argyll, N Ireland: Sunny of clear intervals, scattered showers; winds backing SW, mainly light; max temp 7 to 8C (45 to 46F), frost at first in places early.

Aberdeen, cent Highlands, Moray Firth, NE Scotland, Orkney, Shetland: Windy showers, sunny or clear intervals, but occasional rain in the N. Temperatures near normal with perhaps light frost in places.

SEA PASSAGES: S North Sea, Straits of Dover: Wind variable, becoming NW, light or moderate, sea smooth.

Channel (E): Wind NW moderate or fresh, sea slight or moderate.

Georges Bank Irish Sea: Wind NW moderate, becoming light; sea slight.

Sun rises: 5.24 am. Sun sets: 8.31 pm.

Mean min: 5.18 am. Mean max: 6.45 pm.

Full moon: May 8

Lighting-up time

London 9.01 pm to 4.52 am

Blackpool 9.11 pm to 4.52 am

Edinburgh 9.17 pm to 4.53 am

Manchester 9.17 pm to 4.53 am

Preston 9.18 pm to 4.53 am

Sheffield 9.18 pm to 4.53 am

Weymouth 9.18 pm to 4.53 am

Yesterday

Temperatures at midday yesterday: C, cloud; F, rain; S, sun.

Belfast C 10 F 50 S 10

Birmingham C 10 F 50 S 10

Blackpool C 10 F 50 S 10

Bristol C 10 F 50 S 10

Cardiff C 10 F 50 S 10

Edinburgh C 10 F 50 S 10

Glasgow C 10 F 50 S 10

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Glasgow C 10 F 50 S 10

London C 10 F 5